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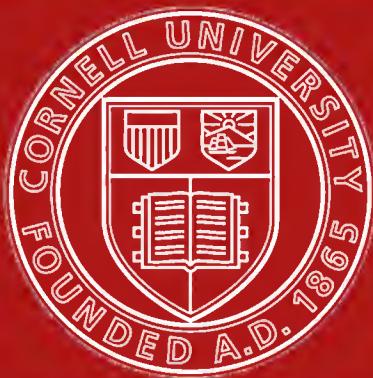
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# THE NEW EMPIRE PARTNERSHIP

DEFENCE—COMMERCE—POLICY

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AND  
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LONDON  
JOHN MURRAY, ALBEMARLE STREET, W.

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## THE KEYNOTE

A NEW world is emerging from the Great War, and above all, for us who are British there is emerging a new Empire.

Let us admit it—we have had a narrow escape. Suppose Germany had waited for a few years longer. The world never saw such a sowing of dragon's teeth. But suppose that Germany had been content to carry on her naval, military, and industrial plans until the day of fruition had really come. The producer, whether he be manufacturer, merchant, farmer, or workman, carries the soldier and sailor on his back, and only those who have made a special study of the complexities of world trade can realise the extent to which the German producer had won his way in an outside world hitherto predominantly British—not excluding the British Isles themselves. England was the workshop of the world when Germany was almost non-existent as an industrial nation.

Undaunted by that predominance, Germany worked and plotted with such success that at the outbreak of the Great War she possessed an export trade very little smaller than our own. In a few months she would certainly have passed us. Even the raw materials of the British Empire were fast coming under German control. The spelter ores of Australia, the hematite and nickel ores of British North America, and much else of the basic wealth of the British Empire we had left to be exploited by Germany, to her gain and our hurt. As the Solicitor-General said during the hearing of an Admiralty Prize Court case on September 17, 1915, the German octopus had before the outbreak of war thrown out its tentacles so successfully that the base metals of the world were at the mercy of three German concerns of Frankfurt and Halberstadt. We see now how elaborate and ingenious were the agencies used to "break down the tutelage of England." Some of these agencies were legitimate enough and worthy of emulation ; others were grossly immoral and detestable ; but the task of undermining England's position in the world, seriously begun after the removal of that powerful restraining influence in European affairs, Queen Victoria, had

succeeded beyond German expectation ; we had indeed in many ways been helpers to our own undoing.

We do not yet know why German statesmen and soldiers rushed so precipitately into war in August 1914—why they fired the mine before the sappers had finished their work ; but we do know enough to convince us of the far more imminent peril in which we might have stood had Germany shown more patience in the pursuit of her policy of permeation, taking full advantage of our comfortable lethargy. Moments of embarrassment must attend a many-sided national and Imperial life like ours. Civil war in Ireland—we were on the brink of it when war broke out ; a labour upheaval in England—it was imminent at the height of the Morocco crisis in the summer of 1911 ;—it is easy to foresee circumstances in which our Army would have been pre-occupied at home, our Navy scattered at the moment of crisis, and our financial credit put under heavy strain. Germany counted on these things even in August 1914. She might not have counted in vain had she let our complacency run its course a little longer.

We have had a narrow escape and many of us are saying fervently, “Never again.”

But the “Never again” can only be made good by clear thinking and bold action, and a pursuit of the traditions which first gave England her place among the peoples of the world.

“Ships, colonies, commerce.” The old motto is also the new motto, and it is the task of statesmanship to apply it to the new conditions. It is no longer a question of amassing territory, going out in search of new fields to conquer ; the British Empire covers nearly one-quarter of the habitable globe. It is a question of making the best of our incomparable heritage—the heritage of England and the heritage of the younger Englands to be found in every hemisphere. We covet no other people’s possessions, but we must cease to neglect our own lest our fate be that of the “wicked servant” who hid his master’s money in a napkin. We stand at a crisis of England’s history comparable with those of the heroic days of Elizabeth and the perilous days of Pitt ; and it is for us to show something of the old courage and unquenchable faith.

There are no hesitations among our new partners overseas. A British Cabinet Minister who has held a pre-eminent place in public life for a generation became involved

four or five years ago in a courteous but spirited controversy with a Canadian journalist. The sequel is narrated by Sir John Willison, the Canadian correspondent of the *Times*:

“The statesman,” he says, “scoffed at the suggestion that if Great Britain should become involved in war in Europe, Canada would equip an army and drain its resources in defence of the Empire. When the war came, the statesman withdrew from the Imperial Cabinet, while Canada has 50,000 soldiers in Europe, has an equal number under training in the Dominion, and has voted 150,000,000 dollars for war purposes.”<sup>1</sup>

What seemed so impossible to many foremost Englishmen, steeped as they were in the cosmopolitan ideas of mid-Victorian days, is just what has happened. As one man the British nations overseas have mobilised themselves for war, and their mobilisation has not even needed the aid of the recruiting sergeant. It has been purely voluntary, an exercise of the “freedom of judgment” which it has long been the policy

<sup>1</sup> *Times*, May 22, 1915.

## THE KEYNOTE

of both political parties in England to accord to what we now call the Dominions.

“Depend upon it,” said Mr. Gladstone in 1855, “they (the Colonies) covet a share in the great name of England. . . . Their natural disposition is to love and revere the name of England, and this reverence is by far the best security you can have for their continuing not only to be subjects of the Crown, not only to render it allegiance, but to render it that allegiance which proceeds from the depths of the heart of man.”

“Go as you please,” has been the motto of governing Englishmen in their dealings with the Dominions, and sometimes a whisper has been added: “Go altogether if you please.” In place of Lord Chatham’s mandate: “They shall not make so much as a nail,” the Dominions have been left free to tax English goods for the encouragement of their own industries. In their treaty relations with foreign Powers they have been left to assume “autonomous sovereignty” and indeed the “freedom of judgment” has covered every national activity — defensive, commercial, and political.

The Great War has, in Lord Rosebery’s

phrase, “revealed to the world the enthusiastic and weatherproof unity of the British Empire.” But let there be no mistake—quite a different Empire is emerging from the conflict. The British House of Commons was recently startled by the quotation in debate of the declaration of a Canadian who was described as “one of the greatest men in Canada.” Discussing the services Canada rendered in the War he said: “It is the last time Canada is going to do this”; and he added that England “could not count in future on the splendid contribution of Canada to our armed forces if we did not take Canada more into our councils and confidence.”

Sir Robert Borden’s emphatic assertion that Canada is “no longer content to be an adjunct even of the British Empire” is another stern reminder of the changed conditions upon which we have entered, and so is the assertion of his colleague in the Canadian Cabinet, the Hon. C. J. Doherty, Minister of Justice, that while as a “protected Colony” Canada was “rightly voiceless,” as a “participating nation” she “cannot continue so.” The feeling is the national feeling in each Dominion. It is an inevitable sequel to the comradeship of war,

and it is crystallised into an irresistible demand from the Dominions for a frank and earnest reconsideration of the old political relationship.

It will soon be England's opportunity also to carry this new comradeship into the sphere of commerce. The War Budget of September, 1915, with its new import duties, marks a permanent change of policy. It must soon be followed by broader measures of indirect taxation, and it is inconceivable that British statesmanship will then fail to accede to the demand which the Dominions together made at the Colonial Conference of 1902, and have reiterated at each succeeding Imperial gathering, for a recognition of the Empire Family through the medium of "preferential treatment to the products and manufactures of the Colonies either by exemption from or reduction of duties now or hereafter imposed." The United Kingdom cannot long remain practically the only self-governing portion of the Empire which neglects the Empire principle in its fiscal system.

In actual fact the British Empire long ago ceased to be the Downing Street Empire, or even the London Empire; it must now cease to be so in policy also and in administration. As Lord Milner has well said :

“ It is ridiculous to suppose that we can go on with a great race spread all over the world, standing together in the fiercest tests to which any race can be subjected, while one portion of that race, simply because it occupies one small island in Europe, has all the political control.”

It is the purpose of this book to inquire how far the Great War has carried the new partnership of Empire in matters of defence and commerce, and to indicate the lines of policy which flow most naturally from the experience thus gained while working together to meet a grave and common peril. A new and greater destiny lies ahead of us. The younger nations of the Lion brood come “ knocking at the door ” and the heart of England is still sound.

“ The Rod of Empire is for those who hold  
Man’s wandering mind by some eternal lure.  
Be rich in dream as in your ancient hours,  
And bribe the spirit with unearthly gold,  
And this magnificence may yet endure.” <sup>1</sup>

LONDON, *September, 1915.*

<sup>1</sup> From a sonnet, “ Empire,” by A. E., in the *Times*.

THE nomenclature of the British Empire, like so much else, is still in the making. We have no one word to designate the people of the British Isles. Hence in this volume the amplest use is made of the historic word "England."

In the section dealing with Defence some use has been made, by the courtesy of the Editor, Mr. W. L. Courtney, of articles contributed to the *Fortnightly Review* during the past few years.

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## SECTION I

### *PROBLEMS OF DEFENCE*

“ It is upon the Navy that, under the good providence of God, the wealth, prosperity and peace of these islands and of the Empire do mainly depend.”—ARTICLES OF WAR.



## CHAPTER I

### THE EMPIRE AND ARMAMENTS

“There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it ; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war.”—GEORGE WASHINGTON’S INAUGURAL ADDRESS, *December 1793.*

IF it be true that the Great War will be the last of all wars, the British Empire in future will require defence neither by land nor by sea ; the millennium will have dawned. If it be true that the Great War will lead to a widespread limitation of armaments, the British peoples need not put forth any special effort in respect of either naval or military forces ; they can continue slowly to develop their resources as circumstances may suggest. On the other hand, if the Great War will be neither the last gigantic struggle which the world will witness nor the precursor of a scheme of partial dis-

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armament, one of the most urgent problems confronting the British peoples throughout the world—that of the protection of their freedom, their institutions, and their wealth—will have to be studied afresh.

The matter is one of difficulty because the Empire embraces a number of self-governing nations, as well as Colonies and Dependencies, and between the various units flow the seas which are free to all nations—the highways of white man and Asiatic, of Protectionist and Free Trader, of Monarchist and Republican. The seas may be either a bond or a wedge as we will. At times it has seemed as though the trackless waste was likely to prove the grave of Imperial sentiment and effort; and then again, in an hour of emergency, over the waters have come sons from the far Dominions to fight in the battles of the Mother-country, which they have recognised as being also their battles, and we have been encouraged to think that the oceans constitute a kindly and easy pathway between the outermost ramparts and the inner citadel of the British peoples.

What is the future of armaments? That is the first question which must be examined in approaching the consideration of Im-

perial problems. Must we in the British Isles continue to maintain a large Navy and a relatively small Army? Must the Dominions, with their urgent domestic problems, requiring men and money for solution, persist in the development of distinct defensive forces? These matters are fundamental. If the millennium is indeed about to dawn, we, who live under the British flag, must not be backward in gaining the full benefit of the new dispensation when the battle-flags are furled "in the Parliament of man, the Federation of the world." But is the millennium at hand? We who live under the ample folds of the British flag, sharing the same traditions, language, and institutions, have not been able to arrive at the stage of Federation, from various causes attributable both to the frailty and strength of the British character, supreme in matters open to compromise. So it may perhaps be assumed that the larger movement of world federation is not yet at its birth, and that we must resign ourselves to the persistence of the present conditions, the world remaining divided between many nations, each with its flag, its sense of individual pride, its peculiar traditions, and its ambitions.

Prophets who declare that this war will

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end all wars—or at least result in great economy in armaments—brush aside all the failings of human nature which render policemen necessary in our cities and towns, and tell us that wars are made by statesmen and diplomatists, soldiers and sailors, and armament firms. There is, in their opinion, no such thing as religious or racial animosity ; quarrels do not arise out of economic interests ; between nations there are no jealousies. Once the democracies rule, we shall discover all the hidden and admirable qualities in men's hearts ; all the Powers will be united in the bond of a peace which no misunderstanding can break ; there will be no quarrels over territory or trade or ideals of government which some superhuman agency at The Hague will not be able to adjust. The millennium dawned in England in the spring of 1914, when we were on the eve of celebrating the centenary of the Treaty of Ghent and preparations were being made for another Peace Conference at The Hague ; and the greatest war in history broke out in August.

A distinction must be drawn between the idealists and the political pacifists. The former are the salt of the earth. They have little influence apparently on the course

of national life in the Mother-country or Dominions ; they are seldom seen within the four walls of a Parliament House ; they do not meet to discuss the political profits which may be squeezed out of this or that bloody battlefield, or this or that terrible struggle on the sea. In their opinion, all war is hateful, and they refuse to have anything to do with the preparations for, or the prosecution of, hostilities, however much their fellow-countrymen may be convinced that it is their duty to punish the oppressor or the aggressor. They sympathise with no man who makes war, and they look forward to, and work for, an age when war will be no more.

The only flaw in the British idealist's armour is that, by choice, he lives in peace and security in an Empire which is protected by the very force which he decries. He profits in his happy and undisturbed home life and his prosperous business relationships by the agencies he denounces. It is a nice point whether the best-defended Empire which has ever existed in the world's history is a suitable place of residence for those who preach a policy of non-resistance to aggression and urge that all armaments should be swept away. Their principles are never put to the test, as they might have

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been in Belgium, Northern France, and Poland.

The political pacifists, of which the British House of Commons contains examples, are a class apart ; they are men of the world, not infrequently rather quarrelsome in temperament and grasping after the good things of the world. Their root objection to war is not so much because it brings sorrow and ruin, as that it costs money. Economy is the subject of their speeches, and, unlike the idealists, they appear to be little moved by the terrors of war, if not content to ignore them ; they fill men's eyes with the glamour of gold and all that it may buy of bodily comfort and luxury. The political pacifists are ambitious of power and honours—quite a different thing from honour. “If you desire peace, be unprepared for war” is their motto. No one familiar with our history is unaware of the many thousand lives which have been lost because after a period of “economy” the crisis found us unready to defend ourselves or those who looked to us for protection. Unpreparedness on the part of a great and wealthy people breeds war, and not peace. The devastation of slaughter would never have swept over Central Europe if Germany had

not deduced from our policy the belief that we should not fight even though she crushed Belgium under her iron heel and overran France, battering down the last defences of Paris. Germany placed her faith in the political pacifists in the United Kingdom ; she believed that they controlled the Government and represented the nation. The late Earl Roberts advocated measures which may or may not have been suited to our conditions in the United Kingdom ; but if Germany had been convinced that the spirit of that great soldier dominated this nation, giving courage to its sons and power to its forces, we may be sure that Germany would never have entered upon the titanic struggle in the summer of 1914 ; and time might have adjusted the scales so as to render the war an unsubstantial nightmare—passing with the dawn of a brighter morning.

Throughout the quarter of a century's naval and military expansion of Germany, the people of the United Kingdom were told by the political pacifist that they had nothing to fear from the Germans, for had not their leading Ministers, and ministers, prominent public men, and quite a number of professors, declared that no aggressive aims lay behind the vast German Army or the great Navy, which

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at the outbreak of war was far more powerful than was the British Navy at any date down to the end of the nineteenth century? If the British peoples had accepted the advice of the political pacifists, Germany and not we should have exercised command of the sea when the peace was broken in August 1914; and Germany would have won.

These false prophets shut their eyes to Germany's history. In the past Germany, with her conscript army, made wars of policy—wars which were the outcome of years of preparation and diplomatic action. Some years ago the late Mr. H. O. Arnold-Forster gave an effective summary of the story of the wars of policy by which the German Empire as a military engine was raised to its eminence on the European continent.

“In 1741 Prussia desired to possess Silesia. She prepared for war. Promptly, swiftly, and silently, Frederick invaded Silesia, took it, and from that day Silesia has belonged to Prussia.

“In 1813 Prussia was on terms of strict alliance with France. The King was in constant and friendly communication with the Emperor, assuring him of his unalterable fidelity, and submitting plans for the partition of

Europe between France and Prussia. While the ink on the royal letters was still wet, and while the royal assurances were actually being repeated to the French representative at Berlin, General Yorck, in command of the Prussian Army, was handing that Army over, by a sham capitulation, to the Russians as a first step towards utilising it in that war of policy which was intended, and had for many months been prepared.

“In 1864 Prussia desired to obtain Schleswig and Holstein. By a series of acts of calculated policy, she induced Austria to join her in levying Federal execution on Denmark. The war of policy was made, and the duchies were taken.

“In 1866 Prussia desired to obtain Hanover, and to become mistress of South Germany. Her Army, carefully prepared for the war, and armed with the needle-gun, was engaged at Langer, Selza, and Sadowa. Hanover was taken; Austria beaten; and the whole of South Germany was made subject to Prussia as the direct result of a war of policy.

“In 1870 Prussia desired to obtain Alsace and Lorraine. Again everything was prepared, and again, at the selected moment, war was forced upon

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the selected enemy. Alsace and Lorraine were taken, France was invaded and crushed, and once more a war of policy was successful."

By these wars Germany achieved her purpose as a military Power. She subsequently became a great naval Power, with an establishment of ships greater by far than the British establishment in the past, and, moreover, an establishment of which four-fifths was to be kept instantly ready for action. What was the explanation of Germany's naval expansion ? None was forthcoming. Who was there would guarantee that, because we abandoned long ago the plan of making war as an act of policy, Germany, with her menacing fleet and vast army, had decided to follow our example ? There was no such guarantee. All that we had to guide us were certain indisputable facts, pre-eminent among which was the rapid expansion of the naval power, not of Germany only, but of Austria-Hungary also. In the lurid light of Germany's past and in face of a series of sinister developments we were told that we could reduce our fleet and put our trust in the assurance that Germany meant to do us no harm.

The political pacifists have always failed to understand the elementary facts which lie at the basis of British defence policy. They have assumed in their ignorance that because the British Isles are surrounded by water, and the pathways of the Empire are the seas, therefore the inhabitants are safer than the peoples of the great continental nations. The exact contrary is the fact. In themselves oceans are no defence. The North Sea and the English Channel are not only no protection, but actually constitute, if we do not command them with our men-of-war, an aid to any enemy desiring to strike a fatal blow at us. Attack on the Oversea Dominions is facilitated by the seas which wash their shores. The sea is the best medium for invasion. Transports heavily laden with troops can move over water twenty times as fast as soldiers can move over land. An army, such as the army which invaded and laid waste the kingdom of Belgium, has first to study a vast number of problems, strategical and tactical. In its course may lie rivers, towns, villages, woods, hills, and valleys. The staff officers of an invading force must study the natural features of the country to be traversed and must become acquainted with

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the artificial obstacles which civilisation has created. They must also be prepared to deal with the resistance of the inhabitants of such a country as Belgium, and the Germans know by experience what that resistance may be. In the case of an invasion oversea there are very few strategical or tactical problems. The water is flat; all the invader needs are a suitable port of embarkation on his own coast and a suitable port of disembarkation on the enemy's coast. Once he has made these selections, the transport of troops, in the absence of inimical naval power, is the simplest, the most rapid, and the cheapest operation of war.

On August 4, if the inhabitants of the British Isles had not possessed an adequate margin of safety in ships-of-war and of trained men, Germany might more easily have invaded this country than she did in fact invade Belgium. It is not an arduous operation to carry soldiers across the water if the safety of the line of maritime communication is assured. Nor, on the other hand, when the passage has been completed, is it a difficult matter to land the men, provided the State which is to be attacked is under the rule of men who have consistently opposed adequate measures of defence. If

the British people had had such a fleet and such an army as it was urged by these “economists” that they should have, there is no reason why Great Britain should not have shared the fate which overtook Belgium; and then good-bye to Old-age Pensions, National Sickness Insurance, Labour Exchanges, our prosperity, our wealth, our cherished institutions and our freedom; London might have shared the fate of Louvain. And what in these circumstances would the autonomous freedom of any one of the British Dominions have been worth?

Those public men who would have thrown open the British Isles to invasion by the Germans now declare that this war will end militarism. What is meant by militarism? If the word is intended to represent the spirit which has underlaid and inspired German policy for years past, then it may be that that anticipation will be realised. But let us be quite sure that we are in no doubt as to what is meant by the word militarism and by the spirit which has been dominant in Germany. Professor Church, President of the Carnegie Institute at Pittsburg, and author of the *Life of Oliver Cromwell*, has defined for us the condition of Germany on the eve of the war. Replying to one of the

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bellicose German professors, Dr. Church has declared <sup>1</sup>:

“ Your reference to militarism brings up in my mind the conviction that this war began potentially twenty-five years ago, when Emperor William II ascended the throne, declared himself Supreme War Lord, and proceeded to prepare his nation for war. His own children were raised from their babyhood to consider themselves soldiers, and to look forward to a destiny of slaughter ; and here in America we know even his daughter only by her photograph in a colonel’s uniform. And as with his own children, so all the youth of his Empire were brought up.

“ Going far away from your great philosopher, Kant, who, in his Categorical Imperative, has taught us all a new golden rule, the national spirit of Germany has been fed on the sensual materialism of Nietzsche, on the undisguised bloodthirst of General von Bernhardi, on the wicked dreams of Treitschke, and on the morality of von Bülow ; and we behold in every scrap of evidence that we can gather from your Emperor, his children, his soldiers, his statesmen, and his professors, that

<sup>1</sup> *The Times*, November 30, 1914.

Germany held herself a nation apart from the rest of the world, and superior to it, and predestined to maintain that superiority by war.

“ In contrast to this narrow and destructive spirit of nationalism, we in America have learned the value of humanity above the race, so that we cherish all mankind in the bosom of our country. Therefore we can do nothing but execrate the conduct of your Emperor, who has driven his troops to slaughter their brethren and be slaughtered by them in this bloody and unspeakable conflict.

“ And so, at last, my dear Dr. Schaper [one of the German professors], we find ourselves shocked, ashamed, and outraged that a Christian nation should be guilty of this criminal war. There was no justification for it. Armed and defended as you were, the whole world could never have broken into your borders. And while German culture still has something to gain from its neighbours, yet the intellectual progress which Germany was making seemed to be lifting up her own people to better things for themselves and to an altruistic service to mankind.

“ Your great nation floated its ships in every ocean, sold its wares in the uttermost parts of the earth, and enjoyed

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the good favour of humanity, because it was trusted as a humane State.

“ But now all this achievement has vanished, all this good opinion has been destroyed. You cannot in half a century regain the spiritual and material benefits which you have lost. Oh ! that we might have again a Germany that we could respect, a Germany of true peace, of true progress, of true culture, modest and not boastful, for ever rid of her war lords and her armed hosts, and turning once more to the uplifting influence of such leaders as Luther, Goethe, Beethoven, and Kant !

“ But Germany, whether you win or lose in this war, has fallen, and the once glorious nation must continue to pursue its course in darkness and murder until conscience at last bids it withdraw its armies back to its own boundaries, there to hope for the world’s pardon upon this inexpiable damnation.”

German militarism is already doomed, so far as the world at large is concerned, and its fate will, we may hope, be a lesson to other nations tempted to emulate Germany’s policy.

On the other hand, if by militarism is meant armaments, then it is certainly not a fact that this war will lead to navies and

armies being swept away. If, as a result of hostilities, the German Empire were blotted out from the map of Europe, the competition in armaments would still continue. During the first fourteen years of the present century, Germany, it is true, set the pace ; she ran the danger of ruining herself and others by the standard of expenditure which she imposed upon her own population, and the standard was being raised year by year. On the other hand, if German armaments had had no existence, we may be sure that though the expenditure on navies and armies might not have attained the high scale which it did attain, the expenditure would still have inevitably advanced owing to many causes. The expectation that Armageddon will kill the contest in armaments rests on no foundation. The idea that out of this contest will emerge some sort of League of Peace, and that the nations will agree to disband their navies and armies, and that they will place their confidence in some international body with its headquarters at The Hague, is a chimera.

In effect, the position of the political pacifist may be stated quite briefly. He declares, in so many words, that the British peoples throughout the world want merely

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to hold what they have ; that there is no wish to acquire fresh territory.

“ It is realised,” he states, “ that the British Empire is quite large enough. Moreover, we, who represent progressive political thought, ask for nothing more than equality of treatment throughout the world. We desire to enjoy no greater trade advantages than are enjoyed by others. So far as the sea is concerned, we wish merely to be permitted to go about our business, sending our goods here and there and everywhere, and receiving in return products which we require. We are the most peaceable of people ; we entertain no desire for territorial, commercial, or political advantages which are inimical to the rest of the world.”

The political pacifist apparently regards himself as a reasonable being who is guilty of no act which can by any means disturb the peace of the world. He forgets, however, several considerations which are seldom absent from the minds of the people of one or other of the Powers, particularly when the political atmosphere in the world is disturbed. He overlooks the remarkable fact that he and his fellow-citizens occupy nearly

one-quarter of the world's land surface, the greater portion of which lies within the temperate zone and is suitable for white settlement. He is bound to admit, peace-lover as he professes to be, that this vast and rich empire was founded by force. It was created by our soldiers and sailors acting in conjunction with absent-minded statesmen. The British Empire never had behind it a *welt politik*, unless it were during the Elizabethan period. The people of the British Isles have been the uncomplaining victims of an Imperial movement which they did not foster, but from which they now profit. Most of them took little or no interest, until a comparatively recent period, in the extension and the development of the British Dominions.

Fifty years ago the majority of people believed that on the first opportunity the Colonies would cut the painter linking them to the Mother-country. They were taught by the economists that this was the inevitable tendency, and the economists, being not a little afraid of the Colonies and their influence on the old country, welcomed the prospect. Realising nothing of the value of the Empire, successive British Governments conceded to the Dominions so much rope that at last

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these kith and kin oversea became suspicious of some sinister intention and sat down to consider if, after all, it would profit them to cast adrift from the Mother-country, with her great and growing demand for their produce, with her immense wealth, enabling them to raise money on cheaper terms than in any other country, and with her defensive armaments, particularly the Fleet exercising unchallengeable supremacy in all the seas of the world. The result has been that the painter having been let out by the Mother-ship to the little craft in her wake, these small vessels, realising the disadvantages of independence, have themselves drawn in the painter and thus come closer and closer to the Mother-ship. This movement culminated in the summer of 1914 in the spontaneous offers of assistance from the Dominions to help in the fight for Freedom on the Continent of Europe. A year before, if anyone had prophesied that our kith and kin would stand by us, offering their manhood and their treasure in fighting against Germany, he would have been regarded as a false prophet.

How does the world strike a foreigner when he looks at the map? He sees that one-quarter of its surface is coloured British

red, and that in its wide-sweeping territories there is a white population of about 60,000,000 —only 62,500,000 people to be exact. These are the rulers over about 350,000,000 coloured natives, and in trade and in commerce they enjoy economic advantages which flow from over-lordship. The foreigner will notice that in the British Isles the Free Trade system has been established, and that he profits from it ; but, such are the anomalies which exist under the British flag, the great Dominions, being young States, are Protectionist, and thus the British Empire gains the advantages of both systems. It may be that the foreigner will sit down and wonder why 60,000,000 people should have inherited a quarter of the earth. If he turns to any book of statistics, he will see that the remaining three-quarters of the land-surface of the globe is divided between forty or fifty other countries ; the English-speaking American Republic being in possession of another large slice of the world. He will notice the great density of population which exists—or perhaps we may say rather existed—in Belgium, as well as in Germany, in Japan, in Italy, and elsewhere, and he, a foreigner, will be inevitably driven to wonder whether, if a League of Peace be formed,

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he would be justified in agreeing that, now that force has done so much in the extension of the British Empire, he should range himself beside the British people in agreeing that force as a means of arbitrament between peoples can be, if not abolished, at least concentrated under the control of some impartial body at The Hague.

That is the position which exists at this moment. We, the 60,000,000 of white people of the British Empire, possess a quarter of the land-surface of the world, and the political pacifists have the courage to suggest that a League of Peace should be formed by all the nations, great and small, for the abolition of the force by which this anomalous condition in the distribution of territory was effected. They assume that now that the British family has secured all that it desires of the earth and the produce thereof, it should be permitted to rest in peace. That is exactly what in former centuries the short-sighted economists of Carthage, Rome, Greece, Spain, and Holland desired. When the British people had attained the vigour of full nationhood and felt the need for expansion, it was they who refused to leave their neighbours in the enjoyment of the fruits of conquest. One after

another they wrested from them vast stretches of territory. Are we so simple-minded as to believe that to-day virility counts for nothing ; that force can be abolished by the universal agreement of mankind ? We may be sure that so long as human nature remains human nature, with all its defects, its cupidity, its jealousy, and its cunning—which the political pacifist frequently practises in his own small circle—force will remain the final court of appeal between nation and nation, as it is, in the last resort, between individual and individual. There is talk of a League of Peace drawing its inspiration and its authority from The Hague. Of all the idealistic movements since the Christian religion was established, there has been none which has proved so alluring to the parsimonious and so disappointing and disheartening to the idealist as that which the Czar of Russia inaugurated on the very eve of Germany's active efforts to increase the strength of her armaments.

The peace conferences became war conferences. The Hague became the inspiration of the new movement in armaments. The delegates came away full of suspicion one of another. A new contest for force began. It was realised that the nations

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were antagonised and that each looked for safety not to treaties, but to its own armaments. Conventions were drawn up and signed, but where are they to-day ? What is their value ? They are all so many scraps of paper. They did not contribute to save Europe from the most terrible war which has ever devastated it ; they did not rob that war of any of its horrors ; they did not contribute to bring that war to a speedier end. The whole peace movement was reduced to ruins—largely because it was based on a desire for economy and not on an increased respect for human life or national honour.

This brings us back to the central problem. The war, if it does not abolish all armaments, will, it is asserted, greatly lessen the burden they impose on the British people ; “we shall be able to effect an economy of £40,000,000 a year in the expenditure upon British armaments.”<sup>1</sup> In other words, instead of voting for the British Navy and Army a matter of

<sup>1</sup> Sir George Paish, “Financial Adviser to the Chancellor of the Exchequer,” in an interview in New York. The late Chancellor of the Exchequer stated on November 17 : “I should regard the war as having failed in one of its chief purposes unless it led to an all-round reduction in the inflated cost of armaments.”

£80,000,000, as was the case in the spring of 1914, it will be necessary to set aside only about half that sum for the maintenance of the defensive forces of the United Kingdom, and the Dominions will be able to reduce their modest establishments.

Is it really imagined that we shall be able to spend less upon the British Army—"French's contemptible little army"? In the spring of 1914 Parliament adopted Army Votes amounting in the aggregate to £28,845,000. Of this total nearly £4,000,000 went in non-effective services, mainly the pensions of retired officers and men, leaving a balance of less than £25,000,000 for the support of our active and reserve forces, apart from the charges, met out of Indian funds, for the maintenance in that empire of about 75,000 British officers and men. These funds enabled the War Office to provide the following force:—

Regular Army . . . . .	156,110
Army Reserve . . . . .	146,000
Special Reserve . . . . .	63,000
Territorial Force . . . . .	251,000
	<hr/>
	616,110
	<hr/>

The relatively high cost of the British

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Army, small in numbers in contrast with the masses of the Continental Powers, is due to our adhesion to the voluntary principle, and the voluntary principle is adhered to because it has been held by a succession of Governments that only under this system can we produce the necessary drafts for India, Malta, Gibraltar, Egypt, and other oversea possessions. This is neither the time, nor is the occasion fitting, for reopening in any detail the discussion of the relative advantages of compulsory and voluntary service, but it is apparent that the voluntary principle has during the course of the war achieved a triumph unparalleled in the history of warfare. So far as the Regular Army is concerned, it is admitted on all hands that the present method of recruiting is the only one possible in view of the military responsibilities of the Mother-country overseas, involving long service with the colours—a professional Army in short.

And what of the Territorial Army? In the light of the response which was made when the crisis occurred in August 1914, and in the light of the manner in which these citizen soldiers have played heroic parts on the Continent, where they have been confronted with the best trained men of the best

trained army in the world, it may be presumed that the last has been heard of the depreciation of these patriotic representatives of the British nation. We know how as our second army they have contributed during the past months to lift from us the shadow of an appalling doom. In some form or other, the Territorial Army represents a permanent feature of the defensive organisation of the British Isles. We must have some such force; whether it be raised by an appeal to patriotism or to force is a matter upon which at this juncture it is unnecessary to dogmatise. It must never be overlooked that the Admiralty does not give any guarantee against raids, but only against invasion in force. The Navy is our first line of defence, but not the only defence which is needed.

This war will cripple the German Army, but it will certainly not kill conscription on the Continent. On the contrary, it may be anticipated that as a result of the stubborn resistance which Germany has been able to offer, the war will lead other Powers of Europe to increase, rather than decrease, their peace establishments. It may be asserted that economic exhaustion will effectually check any such movement. Want of money, on the other hand, has never yet

detected a nation with virile qualities—not even the Balkan States—from making adequate, or more than adequate, provision for the protection of its interests and its people. “Militarism,” after Germany’s model, will be killed, but foreign armies will continue to exist, and they will be based on conscription, because only by such a system can Powers with exposed land frontiers protect themselves from aggression.

It is certain that even though the British Army shrink once more to the proportions which it possessed at the beginning of August 1914, and if no measures be adopted for the expansion of the Territorial Force, the charges on the Votes for the effective services will not be less than they have been in recent years. On the other hand, the nation will be confronted with all the financial consequences which must inevitably flow from the slaughter on successive battlefields. Every casualty list has represented not only homes left desolate and bare and other homes with the bread-winner more or less incapacitated from resuming his ordinary occupation, but it has left to the State a responsibility in pensions and allowances which no self-respecting country would attempt to evade. Therefore we must con-

clude that the effective charges will certainly not be decreased, and those for the non-effective services will be largely increased, with the result that the Army Estimates will inevitably stand at a higher figure in future than they did in the spring of 1914.

But it may be that the political pacifist, as is usually the case, has his money-saving eye fixed upon the Navy Estimates. In the spring of 1914 Parliament voted for the Navy a sum of £51,500,000. Of this aggregate amount approximately £15,600,000 was devoted to new construction ; £13,250,000 was allocated for pay, victualling, clothing, reserves, and the educational services ; £3,500,000 to repairs ; £1,300,000 to stores, etc. ; £4,500,000 to ordnance and torpedoes ; and it was estimated that £3,500,000 would be required for works and buildings. The total effective votes represented £48,500,000, leaving £3,000,000 for non-effective services, including pensions and allowances. In what direction can economy be effected ? Every untoward incident at sea has thrown upon the State the responsibility of making provision for those who mourn. The State which expects sacrifice must, on its part, make adequate effort to support in the years to come the dependants of men who, in winning,

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have lost their all. The non-effective votes of the Navy, therefore, will be greatly increased. They may be doubled or trebled.

But it may be urged that when the war is brought to an end it will not be necessary to vote so many officers and men, and that the cost of new construction will be greatly decreased. What is the basis of any such hope ? Is it really believed by the political pacifist that rival navies will cease to exist ? Is it assumed that the triumph which the British Navy has achieved in feeding him and his fellows and enabling them to go about their "business as usual," in spite of the waging of the greatest war in the history of the world, will be without its influence on other countries ? Are we to assume that Russia and France, which will owe their eventual triumph on land largely to the influence which the British Navy has exercised on the sea, will come to the conclusion that in future they require no naval power ? Does anything justify the anticipation that the people of the United States, who, as distant spectators, have watched the silent pressure of British sea-power on Germany and Austria-Hungary, will decide to turn their battleships into cargo-carrying vessels, their cruisers into ferry-boats, and their

destroyers and submarines into mail-packets? Must we also accept the prophecy that when this struggle is over Japan will decide that she no longer needs a Navy? Will Italy cast her increasing array of Dreadnoughts on the scrap-heap, and decide to build no more? Will Norway, Sweden, Denmark, and Holland tear up the schemes for naval development which they were carrying into effect when the war startled the world in the summer of 1914, throwing out of gear all its political machinery and reminding them that not right but might constitutes their protection?

The British Navy, by its very triumph in circumstances of unparalleled difficulty, is re-enforcing in the eyes of all men every deduction from history which Admiral Mahan, Admiral Colomb, and other historians have made. It may be that, as a result of the war, the German Fleet will be greatly reduced in strength; but is it imagined that German sea-power will be no more, and that Germany, with nearly 70,000,000 of people, will never again have a warship on the seas? Prophecies of naval economy are certainly not the result of clear thinking, but are the outcome of sentimentalism in association with a sordid desire

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to filch from the war advantages of commercial and economic value without paying for them.

The political pacifist, who is repeatedly heralding the dawn of the millennium with his hand in his pocket, has always been the real enemy to progress. He is no idealist, but a sordid politician, who usually possesses little or no knowledge of the historical background against which he appears as an anomalous eccentricity. He forgets that the British Empire is what it is because we have in the past exercised organised force against our enemies, and he forgets that by the exercise of organised force we have conferred upon the world blessings of inestimable value. The British Navy, with the British Army as its projectile, has been the great civilising agent in the world's progress. It has brought light into the dark corners of the earth, has rescued untold millions from slavery, has rid the seas of pirates, has brought down tyrants, and has powerfully assisted in the spread of those political principles which lie at the very foundations of the political thought and action of the English-speaking race. Naval power, as embodied in the British Fleet, has been synonymous with freedom and has never

been associated with that form of militarism which, as exemplified in the words and acts of the Germans, has met with the condemnation of the world.

A year or two before his death Admiral Mahan, an instructed and impartial witness, bore testimony to the influence British sea-power has exercised on the world's history. In reviewing the development of American policy since the acquisition of the Philippines, he remarked on the gradual yet perpetual process by which a higher civilisation impinges upon a lower ; that is, upon one that is lower in virile efficiency, however in some instances it may have been higher in acquired material comfort, or even in literary or artistic achievement. This tendency, he contended, can neither be regulated by law, nor brought to the bar of law, without injury to the progress of the world toward better universal conditions, to which end it is essential that the efficient supplant the inefficient.<sup>1</sup> On the other hand, this condition illustrates the importance of the command of the sea. Continuing this line of argument, the distinguished American writer added :

<sup>1</sup> Germany is inefficient in all the larger purposes of a beneficent Government concerned for the real and permanent welfare of its people.

“ This moral side of the question is not irrelevant to the military one of the importance of commanding at sea ; for, granting the end—the moral obligation—the means, if not themselves immoral, follow as a matter of course. Of such means, command of the sea is one. Napoleon said that *moral* dominates war ; and it is correspondingly true that a sense of right powerfully reinforces the stability of national attitude and the steadfastness of national purpose. If we have been right, morally, step by step, in the forward march of the past few years, we are morally bound to sustain the position attained, by measures which will provide the necessary means. Of these an adequate Navy is among the first ; probably, in our case, the chief of all.”

Having in this sentence stated his contention in broad terms, Admiral Mahan recurred to experience—to the past—in order to comprehend the present and project the future :

“ Why do English innate political conceptions of popular representative government, of the balance of law and liberty, prevail in North America from the Arctic Circle to the Gulf of Mexico, from the Atlantic to the Pacific ? Because

the command of the sea at the decisive era belonged to Great Britain. In India and Egypt, administrative efficiency has taken the place of a welter of tyranny, feudal struggle, and bloodshed, achieving thereby the comparative welfare of the once harried populations. What underlies this administrative efficiency ? The British Navy, assuring in the first instance British control instead of French, and thereafter communication with the home country, whence the local power without which administration everywhere is futile. What, at the moment the Monroe Doctrine was proclaimed, insured beyond peradventure the immunity from foreign oppression of the Spanish-American colonies in their struggle for independence ? The command of the sea by Great Britain, backed by the feeble Navy but imposing strategic position of the United States, with her swarm of potential commerce destroyers, which a decade before had harassed the trade of even the mistress of the seas."

It has been suggested that the political pacifist in our midst is the arch-enemy of civilisation. This may seem an extreme statement. Let the facts be examined. During the months which preceded the war

the political pacifist movement in the United Kingdom, after five years' activity, in and out of Parliament, seemed to have reached its fullest expression and fullest power; the pressure exercised by the National Liberal Federation, under the leadership of Sir John Brunner, was reinforced by a large section of the Press of the country supporting the Government. A reduction in our Naval Estimates had already been promised indefinitely and tentatively by the First Lord of the Admiralty, and more definitely by the Chancellor of the Exchequer. This triumph was the result of a widespread propagandism. The outstanding feature in the movement, apart from newspaper articles, was the publication during the year preceding the cataclysmic crisis of a number of books, which produced on an uninstructed public an effect altogether disproportionate to their real value or authority. Each of these books dealt with the defence problem, and each was written by a writer who could not profess adequate knowledge of the subject upon which he wrote.

One of these volumes was entitled *The Six Panics*.<sup>1</sup> The author poured contempt

<sup>1</sup> *The Six Panics, and other Essays*, by F. W. Hirst. (1913, Methuen.)

upon all who, during the past quarter of a century, struggled, against many difficulties, to educate public opinion on the importance of sea supremacy, and to prevail upon the nation to maintain the Fleet in adequate strength. In particular, Mr. McKenna, who secured the eight Dreadnoughts (the naval crisis of 1909), upon which in no small measure our security depended when war broke out, was held up to execration as a traitor to economic principles. Sir Edward Grey was represented in the unkindest light, and everyone associated with the naval movement was condemned.

There were references to "the absurdity of the scare" of 1909; and it was said that "the Prime Minister had been hoaxed"; that "the Admiralty found a German mare's-nest"; that "the Admiralty experts, in close association, as it would seem, with the armour-plate interests, had managed, after a long controversy, to impose a very heavy additional programme on the Cabinet." Describing the crisis of the spring in 1909, the writer said :

"In February it leaked out that Mr. McKenna had put forward demands for

a great increase of naval expenditure. It was broadly hinted in the Press that otherwise his Navy Board would have mutinied, and it was reported in reliable quarters that dissension had broken out in the Cabinet. The main question was whether four Dreadnoughts or more should be provided. It also became known that Mr. McKenna had come back from a trip in the Admiralty yacht 'converted,' as the *Annual Register* puts it, 'by Sir John Fisher to the principle of a strong Navy.' . . .

"The Navy Estimates issued on March 13 showed an increase of £2,823,000. A large sum was to be spent on a naval station and harbour at Rosyth, which marked at once the acceptance of the Dreadnought theory and of the German invasion theory. Only four monster battleships were provided for; but this victory of the economists was to prove illusory, for 'the Government also asked for power, if necessary, to prepare for the rapid completion of four more armoured ships, beginning on April 1, 1910, to be completed by March 1912.' There was also a large programme of cruisers—pure waste, for in this the German Navy was hopelessly behindhand. . . .

" Practically the whole Liberal Press was up in arms against these estimates,

as provocative and unnecessary. It was felt that the Imperialist wing of the Cabinet, reinforced by Mr. McKenna, was leading the Party along a false path.”

This quotation speaks for itself. The ships laid down under the 1909 programme have ensured our food and freedom during the war. But for them, we could not have received with composure the news of the losses sustained in the early period of hostilities. Who are the heroes of to-day—the political pacifists, or Mr. McKenna and those who stood by him in the Cabinet, and Lord Fisher and the other Lords of the Admiralty, who, with full knowledge of the tendencies of the time, had the courage on our behalf to face opprobrium?

Another volume, published about the same period, was entitled *The War Traders*.<sup>1</sup> It consisted in an elaboration of the suggestion that the nation was the dupe of a number of large firms engaged in the making of armaments. The author declared that—

“of actual warfare we may say, as of famine, cholera, and plague, that

<sup>1</sup> *The War Traders*, by G. H. Perris. (1914, The National Peace Council.)

throughout the world the worst hour is passed. The milder, yet more widespread and obstinate, form of the same disease, called the Armed Peace, remains. But the challenge has gone out, and is echoed in the Senate and the market-place. On the one hand are ranged superstitious fear and brazen greed ; on the other, all the best intelligence and conscience of the age. The extraordinary contradiction which still vitiates much of our effort, multiplying at once warships and arbitration treaties, regiments and universities, rescuing the millions from one serfdom only to cast them into another, cannot much longer continue. The great hope of the future lies in the fact that this contradiction is now realised by most intelligent men.”

“ The superstition underlying militarism is visibly in decay.

“ Before the splendid object-lesson offered to the world in the celebration of a hundred years of unbroken peace between the English-speaking peoples and of the perfect security of a frontier 4,000 miles long without a single fortress or warship, what can the sceptic or his friend, the war trader, say ? ”

What would have been the position of the

people of the British Isles if the public had been deluded, say four or five years since, when the “war trader” campaign began, into the belief that the great British armament firms were really war traders—that is, traders in war, and not business firms engaged in legitimate industrial occupations? Where would the Allies have been, any time since August 1914, had there been no “war traders” to supply armaments and munitions? In particular, complaint was made that these firms executed orders for the lesser Powers of the world, who did not possess the organisation or machinery to enable them to supply themselves with ships, guns, and other materials, in accordance with the requirements of their policies. If the nation had been misled by fallacious but specious arguments, and if, under public pressure, these orders had gone, as they almost inevitably would have gone, to German firms, how should we have fared when we were suddenly called upon to face the second greatest naval Power in the world? In the first place, not we, but the Germans would have been in a position to exercise a pre-emption over the Turkish and Chilian battleships building in this country; not we, but the Germans would have benefited

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from the three monitors and the group of destroyer-leaders which were practically complete when war broke out ; not we, but the Germans would have possessed those unrivalled resources for adding to our naval and military power which constituted, among other elements, the foundations of our hopes of victory. The nation owes much to the patriotic firms who, when the crisis came, devoted themselves to reinforcing its fighting power at sea, and in equipping the new armies with all they required.

Yet another volume, which made its appearance in the year preceding the war, dealt with the subject of capture at sea.<sup>1</sup> Lord Loreburn urged that we should abandon the ancient privileges of a naval Power. He desired that we should repose our confidence in an international agreement, under which private property at sea during war should be immune from attack or capture. From this volume quotations may appropriately be made :

“ Now, the principle upon which are founded all the recommendations which I have urged is simply—that at sea, as on land, unoffending private individuals

<sup>1</sup> *Capture at Sea*, by Lord Loreburn. (1913, Methuen.)

should be unmolested either in person or in property, except from imperative military necessity. Life and property at sea should be protected by safeguards similar to those by which they are safeguarded on land in The Hague Convention. . . .

“ In short, the proposal is that unoffending commerce shall not be interfered with, and that war shall not be directed against an unoffending population. That covers everything. . . .

“ When civilised armies meet on land, neutral persons and neutral property are not directly affected. When the conflict is upon the sea, the livelihood and ordinary rights of neutrals are grievously impaired, and even the safety of innocent wayfarers upon the ocean highways may be gravely compromised.”

If the British people had accepted Lord Loreburn’s arguments, they would inevitably have been forced by every logical consideration to reduce the number of cruisers built and maintained for the protection of commerce. When the war opened, British business men would have had to console themselves with the reflection that as “ when civilised armies meet on land neutral persons and neutral property are not directly

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affected," so when the conflict occurs at sea maritime shipping, bearing the wealth of the world, will be protected not by gross manifestations of force, but by the carefully framed phrases of treaty or convention. Luxemburg was protected by one treaty, Belgium by another; the Red Cross was sacred by a convention; innocent populations living on the fringe of the sea without fixed defences were protected by "a scrap of paper" which incorporated the sentiments of humanity; it was argued that no naval Power would be allowed by civilised nations to sink, without warning given or other notice, merchant ships at sea, murdering non-combatants. What would have been the position of this country and the Dominions if British ocean-borne commerce had been defended by "scraps of paper"? Would the United States or any other neutral nation have intervened to protect it? No neutral nation made effectual protest against the grossest violations of international law committed by the enemy; and we may confidently assume that if we had had no cruisers and the German Navy had sunk every British merchant vessel with its cargo and reduced us to a state of starvation, the outside world

would not have intervened to prevent the committal of such acts, convention or no convention.

It may also be inquired, by what means, except the Navy, could we have brought any economic pressure to bear on the enemy with his vast and hungry army? German ships, with all the materials required for the manufacture of armaments and the equipment of armies, would have passed through the North Sea unmolested. Of what value would our naval power have been to us in these circumstances?

Why should these false arguments and misleading prophecies be disinterred? A moment's reflection will show that the past has an intimate bearing upon the future. Those who to-day entertain the belief that this "war will end all war," that "Germany will be crushed," and that we shall be able "to effect great economies on armaments," if they are not the very same persons who, had they succeeded, would have lost us the British Empire, our wealth, and our freedom, at any rate represent the same cast of mind.

When the emergency comes, as it inevitably does come when some ambitious nation endeavours to find a better place in the sun,

we realise, as in a flash, that nations are still nations ; that they have conflicting ambitions and conflicting aims. When the war-cloud burst, what was the fate of the Anglo-German friendship movement ? Where stood the solidarity of Labour ? What influence had windy Socialists on events ? We are forced to admit that the security of the State, like that of the individual, rests ultimately upon force, qualified by justice. No nation is more dependent upon "organised violence"—in short, armaments—than the British nation, and the same is true of the whole British Empire, as the Dominions have realised.

In spite of all the tracts of pacifists and all the speeches of peace societies, the struggle of the nations of the world, as of individuals, is for existence. That struggle inevitably results in conflict of aims and ambitions, as do the petty struggles between individuals and business firms. In the latter cases an appeal is made to a court of law ; in the former case an appeal is made to reason and in the last resort to force, because there is no law and no court of law which will secure to us what we hold of the world's territory and riches. And what is true of us is true of others. There is no law and no court

of law which of itself will forward the policies of Russia, France, or Italy, give the United States an immutable Monroe Doctrine and the Philippines, protect China with her immense undeveloped wealth, or offer Japan the field of development which she has proved her capacity to use for her own and the general benefit.

The millennium has not dawned; it is not even dawning. War, though it bring unspeakable suffering, is not all loss; in any case it is better than dishonour, as Belgium has proved in our experience. We are making our way through "terror to triumph," and no one can study the events of the war without realising that but for British armaments Europe, for an indefinite period, would have been the victim of a terrorism unparalleled in modern times, and could have entertained no immediate hope of the victory of right over might.

## CHAPTER II

### “NAVALISM” IN THE BRITISH EMPIRE

“To any naval Power, the destruction of the fleet of the enemy must always be the great object aimed at. It is immaterial where the great battle is fought, but wherever it may take place the result will be felt throughout the world.”—BOARD OF ADMIRALTY.

BEFORE we can approach the problems of British Imperial defence we must understand what the British Empire is like. It is as unlike any organisation known to history as it could well be; it resembles none of the great Empires of the past or the present. Many years ago that most active Imperial statesman and sailor, Admiral Colomb, asked, “What is the British Empire in its maritime aspect?” He answered the question in the following words:

“It is a vast, straggling, nervous, arterial, and venous system, having its heart, lungs, and brain in the British

Islands, its alimentary bases in the great possessions of India, Australia, and North America, and its ganglia in the Crown Colonies.

“Through this system pulsates the life-blood of the Empire. Main arteries and corresponding veins lead east through the Mediterranean and the Red Sea to India, China, and Australia; west to America and the West Indies; south to Australia, Southern Africa, and America and to the Pacific. Capillaries the most minute, at the extremities of civilisation, gather up the raw produce of the nations, transmit it to the larger channels, which in their turn convey it to the heart. This tremendous organ having extracted all that is necessary for its own sustentation, forces the transmitted produce through the great main channels, and finally through millions of branching filaments to sustain and revivify the nations of the earth to their remotest borders.

“The life of an Empire so highly organised must hang by a thread. It is no mollusc from whose inert substance huge masses may be detached at will without much effect upon its vitality. It is a living organism whose parts are all interdependent, and highly sensitive in their relations. A stab at

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the heart may put it to death more suddenly, but perhaps not more surely, than the severing of a remote artery, or the wound of a 'nerve centre.' "

Such is the British Empire, living on and by the sea and therefore to be defended, primarily, on and by the sea, if at all. Admiral Colomb did not underestimate the perils threatening such an institution. They are so apparent that no one with political perceptions can fail to recognise their existence. Years ago a German professor wrote, "What is the sense of this seizure of hundreds of islands and thousands of territories in all quarters of the globe? There is no land- or sea-Power capable of maintaining for ever such a system of occupation; a good shove and the ill-joined mosaic falls in ruins." It must be our business to show that this German critic of our peculiar Imperial structure was wrong; that he did not realise the character of the cement which holds the pieces of the mosaic together, while still permitting to each a considerable measure of freedom of movement, of give and take.

The British Empire is, if we could only realise it, the most marvellous creation of

which history has any record, and yet it is accepted as a commonplace, and we go on our way, careless of the future. That is a growing source of danger, because a unique political body calls for unique methods of development. We have lost one empire by a callous disregard of our responsibilities. The United States would to-day probably be under the British Flag, assisting us in buttressing the world's peace, which is the highest interest of the English-speaking peoples, with their world-wide commercial interests, if, in the hour of crisis, the statesmen of the Mother-country had had a correct appreciation of the spirit which was then finding expression in the New World. Once more we are at the parting of the ways. A new age is opening. We must organise Imperially if we are to hold our own in the novel conditions which are coming into view.

A Greater Britain would be the most potent instrument for good in the spread of civilisation. We must either have the courage to foster and shape this new destiny, or we must face the inevitable alternative—the British Isles must become an insignificant factor in European affairs, and a nonentity in world affairs. We must face our fate manfully. In Europe, the pressure of population,

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of wealth, and of naval armaments must drive us into obscurity if we stand in isolation from the Dominions. The competition of the future is for markets, and this fact has lain behind the fierce rivalry in naval armaments and has moved the British Dominions to action. Victory is to the strong, and unity is strength. Our kith and kin are willing to be partners with us in this great fight, sharing the privileges and responsibilities; or they will hazard their all and work out their own destiny in their own way. To-day they are small units in comparison with the Powers of Europe, but they are growing with rapid strides, and the impressions which the young men of the Dominions form to-day of the virility, wisdom, and courage of the Motherland will colour and mould the policy which they will adopt in the years to come, when it is their lot to direct national policy.

If the Mother-country prove indifferent to the sense of Empire destiny which has brought the Dominions to the battlefields of Flanders and Gallipoli, the next stage in Imperial development may prove to be the consolidation of an empire within the great Empire. Intimate consultations had already taken place before the opening of the Great War

between leading politicians in New Zealand, Australia, and Canada, with a view, among other things, to joint defence measures. The Mother-country remained outside that inner family council, which in course of time would have embraced the Union of South Africa. It is no long step from an empire within an empire to a cleavage into two empires as soon as there is a divorce of national aspiration, defensive policy, and commercial interests. As the years passed, the tie of kinship would become weaker, and the “cutting of the painter” might well be the work of a moment, the result of some sudden ebullition of feeling.

The consideration of the relationship which should exist between the United Kingdom and the self-governing Dominions, now that the latter have become autonomous, and practically sovereign, States is a matter which brooks no delay if the Empire is to be preserved. Is England to be an active partner in the Empire, or is she to be a sleeping partner; is she to be merely an ally of the younger States under limited conditions, possibly varying in each case, or, in spite of all the fine sentiments of after-dinner speeches, is she to lose the Empire she has created ?

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There is a wide difference between a partner and an ally, as there is also a nice distinction between the terms “active partner” and “sleeping partner.” It is no bad thing to define the meaning of words and phrases in common use.

An alliance consists of States connected with one another by a compact, offensive or defensive. What its character may be is illustrated by the published text of the Anglo-Japanese Treaty. This provides that for “the consolidation and maintenance of the general peace in Eastern Asia and India,” there shall be full and frank intercommunication between the two Governments if their rights or interests are threatened, and they have agreed that they “will consider in common the measures which should be taken to safeguard those menaced rights or interests.” This instrument recognises the existence of mutual interests, and it also recognises the need for separate defensive forces, with separate control and differing strategical and tactical training ; but it imposes on both the contracting parties, so long as the agreement continues, the liability to go to the other’s assistance without waiting for Parliamentary sanction. Neither the Parliament in London nor that

in Tokio would necessarily be consulted before war was entered upon. Such an alliance, limited as to time, has its counterpart in commerce in a working arrangement between two or more firms with view to regulating supply and steadyin prices, and generally conserving their mutual interests.

An active partnership, such as might but does not, exist between the nations beneath the British flag, has its close parallel in business affairs. It may be defined as the relationship subsisting between persons who combine their services, property, and credit for the purpose of conducting business for their joint benefit ; it involves usually a reciprocal agency and a community of profits and losses, and even a community of interests in capital. The terms of partnership vary, but every compact recognises joint interest in one concern, and joint effort to promote those interests, and common action for their protection by means of burglary and fire insurance policies and other means.

A sleeping partnership in the Empire such as seems to commend itself to some politicians in the United Kingdom, marks again, another relationship. A sleepin

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partner is "a person in a business in which he has embarked capital, but in the conduct of which he does not take an active interest." Frequently the founder of a firm, stricken with years and desiring rest and quiet, or it may be suffering from softening of the brain or other illness, will leave his capital in the concern and be content to run the risk of his active colleagues, possibly his sons, developing the business or neglecting it. Many business men sustain reverses of fortune in their old age owing to the existence of such a dormant partnership.

A yet further relationship which might exist between the Dominions and the Mother-country has been advocated by Sir Wilfrid Laurier in past discussions. It has no counterpart in commercial affairs. It is as though the old member of a firm took into partnership one or more younger men on the understanding that he shall continue to provide the capital and that the profits shall be shared, but that the junior members may retire immediately trouble appears, such as a rival firm's threat to attack the firm's business. For what was Sir Wilfrid Laurier's proposal? It was that Canada—and apparently any other Dominion—should remain in the Empire on the under-

standing that if war occurred she should not exert, in co-operation with the Mother-country and the other Dominions, any naval or military power which she might possess, unless the cause of war—and wars are of sudden occurrence—was one which had obtained first the full approval of the Canadian Government, and apparently of both Houses of Parliament at Ottawa. That was the gospel of Canadian neutrality, a fair-weather partnership, imposing upon a Dominion a lighter responsibility than would result from even an alliance, such as that between England and Japan. It was even suggested—though not, we may assume, by Sir Wilfrid Laurier—that it would leave Canada free to assist England's enemy should the cause of England's quarrel fail to awaken the active approval of the dominant party at Ottawa. That would be the road towards disruption. Of course, under the conditions of actual warfare its futility was exposed and Sir Wilfrid Laurier proved a staunch supporter of the British cause in Europe, although the Canadian Government was not, and could not in the circumstances, be consulted at the moment when the war-cloud suddenly burst.

Which of these relationships is the ideal

of British and Dominion Ministers? Have they any conception of the direction in which they are moving? Is there any real community of thought and action on matters of Imperial concern between Downing Street, with its impressive maps of the North Sea and the Balkans, and the offices of the Dominion Ministers, which are supplied with other maps indicative of policies quite distinct from those pursued by the Imperial Government? Is there any sympathy in thought and action between the Mother-country and the Dominions? Is there any sign of practical co-operation, in a broad spirit of higher patriotism, for the defence of Imperial interests wherever and however they may be menaced? These questions demand consideration, for we are at the parting of the ways.

Formerly, when great fortunes were made only in war, war was business; but now, when great fortunes are made only by business, business is war. There is a close relation between the recent competition in armaments and the increasing competition for markets. As an illustration, the Asiatic policy, upon which the British peoples in the Pacific are determined, is based probably less upon difference of colour

than difference in economic qualities ; the Asiatic, with his astounding industry and his simple needs, can, in many industries at any rate, under-bid the white man. In a broader sense the Dominions are bracing themselves to fight in the business war, and they are consorting together to find means whereby they can best develop their immense resources and secure profitable markets for the produce of their industry ; they will favour any country which will favour them in tariffs. The progress of the movement to increase their business connections is naturally marked by a determination to defend their commercial interests against all comers. The war of armaments, in its modern phase, is a natural sequel to the war for markets, and as the Dominions are intent upon markets, so, in recent years, they have turned their attention to the provision of armaments. In these younger States there are no great firms which can draw profits from the increase of naval and military force ; the defensive movement is a spontaneous expression of the need of business men and working men for security.

We were witnessing on the eve of the Great War the development within the greater Empire of an empire aggressive in policy

and dangerously weak in all the elements of defence. If this movement progresses and the inner empire makes its own defensive arrangements for the patrol of a specific ocean, in definite denial of the homogeneity of the seas and of the ubiquity of the British naval force which moves upon those seas, then we may be sure that in years to come the naval and military power of the States constituting the inner empire will be tied to the Pacific, and will be unavailable for the whole world defence of the British Empire. In those circumstances, every tendency of policy will be in the direction of the substitution of a British alliance, indefinite in its terms, for a British partnership; and an alliance may be terminated at any moment. If the principle that "defence, like charity, begins at home" is preached and practised in the Dominions, it can be no long time before it is preached and practised in the Mother-country. That way lies disruption.

The distinction between partners and allies in matters of defence is radical in its character. Allies never have, and never can, co-operate effectively at sea, in the same strategical theatre, and the disadvantage is even more striking when expediency leads

them to attempt to co-operate tactically in meeting an enemy in a single action. Allies provide their own distinctive navies, and those forces tend inevitably to differentiation in their strategical and tactical ideas, with the result that, as history demonstrates, co-operation is usually ineffective, if not disastrous. Although it is little more than a decade since the Japanese Navy was under the tutelage of British officers, it has already developed differentiating qualities so marked that joint action between the British and Japanese Navies in a single battle against an efficient and strong enemy would be attended with the perils which flow inevitably from the absence of unity of administration, of control, of command, and of strategical and tactical training. Is there any assurance that the tendencies which have already divided British naval policy from Japanese naval policy would not in a few years assert themselves as between the Admiralty at Whitehall and the smaller Admiralties of the Dominions ?

The heart of the Empire is sound if we in the Mother-country will only allow it to beat freely. The truth was illustrated during the naval crisis of 1909, and again, still more dramatically, when Germany threw

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down the gage of war in the summer of 1914. What happened in 1909 ? New Zealand and Australia came forward with spontaneous offers of help ; under a Government whose Imperialism was under restraint, Canada held aloof, and the South African Union did not then exist. A new Government was returned to power later on in the great Dominion across the Atlantic —a Government which, above all things, was pledged to cement the bonds of Empire ; and the distinct and separate colonies of South Africa were securely welded into a great confederation enjoying to the full those self-governing powers which are the glory and the strength, as well as the possible weakness, of the British Imperial system.

The principles upon which the maritime interests of a maritime Empire must be defended are fixed and permanent ; the conditions change, but the underlying principles never change. The views which the Admiralty expressed at the Conference with the Self-governing Dominions in 1909 we may be sure are the opinions which the present Board of Admiralty hold no less strongly. It was then laid down :

" If the problem of Imperial naval defence were considered merely as a

problem of naval strategy, it would be found that the greatest output of strength for a given expenditure is obtained by the maintenance of a single Navy with the concomitant unity of training and unity of command. In furtherance, then, of the simple strategical ideal, the maximum of power would be gained if all parts of the Empire contributed according to their needs and resources to the maintenance of the British Navy."

In enunciating this principle, which is merely an elaboration of the axiom that union is strength, the Admiralty stated a proposition the truth of which no one, certainly no naval officer, would attempt to controvert. But at the same time the Admiralty exhibited the timidity which the Imperial Government has almost always shown in its dealings with the Oversea Dominions. It has been the fashion in Downing Street and at the Admiralty and War Office to treat these growing countries as spoilt children to whom the undiluted truth must seldom or never be told. The Dominions resent it as self-respecting countries must: they would prefer to be treated as men, but the old attitude continues.

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The greater part of the vast burden of our old debt, which costs the people of the United Kingdom £25,000,000 annually, was incurred in large measure in securing those favoured lands in which Canadians, Australians, New Zealanders, and South Africans live and prosper. That is a fact which there is no sense in hiding. For many years the territories of the Dominions were defended by the British Army stationed, at least in part, within their borders, without payment in money or kind for the services rendered. Again, heavy expenditure, amounting to upwards of £3,000,000 sterling annually, was thrown upon the British taxpayer for many years in the upkeep of the extra European squadrons which patrolled the outer seas and defended their growing ocean-borne wealth. The British people are still bearing the burden of Empire with little or no assistance, paying alike for the British Navy, the British Army, the British diplomatic service, the British consular service, and the Crown itself. These are factors which it is an impertinence to the Dominions to rule out of the discussion.

It was in the spirit of spoon-feeding, unfair to the British taxpayer and derogatory to

the dignity of self-governing countries, that the Admiralty in 1909 met the representatives of the great oversea nations. There is not a naval officer in the British service who does not realise that a single Imperial Navy, with the concomitant unity of training and unity of command, is the reasonable and economical and sound principle upon which to defend the united people of a united Empire. Sea-power in the Mother-country is cheap, cheaper by 30 or 40 per cent. than in Canada, Australia, New Zealand, or South Africa ; sea-power in the Mother-country, with its teeming population, is easily created ; sea-power in the Mother-country reaches a high standard of efficiency because the sea-habit is an inherited instinct.

But the Admiralty is a department which must bow before what are regarded as "political considerations." It was concluded in 1909 that the Self-governing Colonies should be still fed with a spoon ; their delegates should be feted and made much of ; they should be taken into the inner councils of the Empire as equals, but under no consideration should the fact be faced that the British taxpayer, with a Budget exceeding £200,000,000 sterling annually (of which £80,000,000 in peace conditions was devoted

to defence), was bearing the white man's burden almost without assistance. The motto of the responsible representatives of the British Fleet at that conference appears to have been this: to be pleasant and tactful whatever might befall; to admit the existence of a naval crisis, but not to make clear to the representatives of the Self-governing Dominions the real solution of the crisis, lest the solution should be unpalatable.

It was in that spirit that the Admiralty, under superior authority, toned down and whittled away the strategic principle stated so boldly in the paragraph already quoted. They were permitted to speak honestly that once, but there immediately followed reservations and the statement of political considerations which almost entirely robbed their professional advice of its value. The politico-naval "bunkum" was expressed in these words:

"It has, however, long been recognised that in defining the conditions under which the naval forces of the Empire should be developed, other considerations than those of strategy alone must be taken into account. The various circumstances of the Oversea Dominions have to be borne in mind.

Though all have in them the seeds of a great advance in population, wealth, and power, they have at the present time attained to different stages in their growth. Their geographical position has subjected them to internal and external strains, varying in kind and intensity. Their history and physical environment have given rise to individual national sentiment, for the expression of which room must be found.

“A simple contribution of money or material may be to one Dominion the most acceptable form in which to assist in Imperial defence.

“Another, while ready to provide local naval forces, and to place them at the disposal of the Crown in the event of war, may wish to lay the foundations upon which a future Navy of its own could be raised.

“A third may think that the best manner in which it can assist in promoting the interests of the Empire is in undertaking certain local services not directly of a naval character, but which may relieve the Imperial Government from expenses which would otherwise fall on the British Exchequer.”

It was in these circumstances that the foundations were laid for colonial co-operation for Imperial defence.

Sir Joseph Ward, the Prime Minister of New Zealand, brushed aside these tactful reservations, and announced that his Dominion would abide by her patriotic decision of the previous March, and "would supply a Dreadnought for the British Navy, as already offered; the ship to be under the control of and stationed wherever the Admiralty considers advisable." Sir Joseph Ward, on behalf of the people of New Zealand, stated in so many words that their attachment to the Empire was not the less because the Empire was in peril, and although they numbered only just over one million—men, women, and children—they at least were prepared to recognise that so long as they remained under the British flag they should contribute to the only Fleet that could guard that flag from dis-honour.

In accordance with the agreement come to by the Admiralty and the New Zealand Government, it was determined that two protected cruisers, three destroyers, and two submarines should be detached from the British Navy in time of peace and stationed in New Zealand waters, in order to provide a measure of defence for purely local or home interests, and that so far as possible

any available colonial officers and men should be drafted into these ships. The New Zealand Government agreed to pay the whole cost of this scheme. In this way New Zealand exhibited enlightened self-interest and the larger statesmanship. The original intention was that the splendid battle-cruiser *New Zealand* should form a part of the British squadron in China waters, periodically paying visits of ceremony to New Zealand ports. It was subsequently arranged that this vessel should make a world tour, in the course of which visits were paid to the principal New Zealand ports, in order that the inhabitants of this Dominion—who had set up a standard of patriotism reached by no other daughter land—might have an opportunity of seeing the first man-of-war designed at their behest and built with their money. When these visits of ceremony were over, this Dreadnought returned to Europe, there to form an important link in the chain of defence which in the early days of the Great War protected not less the inhabitants of the Antipodes than those of the United Kingdom. In the history of the world there is no more splendid illustration of devotion to a sound political and strategical ideal than the people of

New Zealand furnished by their words and acts.

In the case of the Commonwealth of Australia, advantage was taken of the smooth sayings of the Admiralty. It was agreed to provide local naval forces and to place them at the disposal of the Crown in the event of war, thus laying the foundations upon which a future colonial Navy could be raised. In the conference with the Admiralty it was arranged that Australia should provide a "fleet-unit," to consist of a battle-cruiser, three protected cruisers of the Bristol class, six destroyers, and three submarines. It was proposed that these vessels should be manned as far as possible by Australian officers and seamen, and the numbers required to make up the full complements should be lent by the Royal Navy. In other words, Australia determined to create the nucleus of a local Navy which in wartime might be placed under the control of the British Admiralty. It was calculated that this scheme would cost £750,000 a year—£150,000 of this being due to the higher rates of pay in Australia and the cost of training and subsidiary establishments.<sup>1</sup> In other words, in British currency, Australia

<sup>1</sup> This was an under-estimate of the additional cost.

was to pay £750,000 a year for sea-power which could be bought in Great Britain for £600,000. It was further agreed that this annual cost should eventually be met by the Commonwealth, but that until such time as the oversea Government could take over the whole burden the Imperial authorities should make an annual contribution of £250,000. The Commonwealth Government not only remained faithful to this agreement, but it announced later on that it did not intend to ask the Imperial authorities to make any contribution towards the expenditure which this scheme involved. The Australian people thus set about establishing a "baby Navy" of their own in close association with the British Fleet. It did not represent as high a form of Imperial endeavour as commended itself to the people of New Zealand ; it contained within it seeds which might bear sour fruit in the future ; it could be of no appreciable war-value for many years ; but it constituted some slight relief to the British taxpayer in that he was henceforth saved the cost and responsibility of the local defence of these waters.

While New Zealand accepted the undiluted strategic principle enunciated by the Admiralty at the Conference of 1909, and

while the Commonwealth of Australia accepted the alternative of a "fleet-unit," Canada, under the guidance of Sir Wilfrid Laurier, accepted an alternative which had never entered into the mind of the Admiralty until "the Canadian representatives," to quote the Blue Book,<sup>1</sup> "explained in what respect they desired the advice of the Admiralty." The Admiralty at once stated that "it would be difficult to make any suggestions or to formulate any plans without knowing approximately the sum of money which Canada would spend." The Canadian representatives then suggested that two plans might be presented: one incurring an annual expenditure of £400,000, and the other an expenditure of £600,000, omitting in both cases the cost of the present fishery service and hydrographic surveys, but including the maintenance of Halifax and Esquimalt dockyards—to be free gifts from the Mother-country—and the wireless telegraph service, estimated at some £50,000 a year. It will thus be seen that from the outset the Canadian representatives had a very modest opinion of the cost which they could incur. New Zealand, with her not less pressing internal problems, expressed her

<sup>1</sup> Cd. 4948 (1909).

willingness to contribute rather more than 5s. per head of her population, the Commonwealth agreed to an expenditure equal to just under 3s. per head, but Canada, the richest of all the Dominions, with an overflowing treasury, under Sir Wilfrid Laurier's guidance, felt able to commit herself to no more than about 1s.  $1\frac{1}{2}$ d. per head, in contrast with over £1 a head paid by the British taxpayers.

Thus it came about that Canada decided upon a scheme which was recognised from the first as being framed, to meet not the peril of the naval situation, but what, it was claimed, were the political exigencies within the Dominion. The agreement, if such a term can be applied to the understanding with the Admiralty, was embodied in the Naval Service Act, which was passed by the Canadian Parliament, in spite of the larger views of the Opposition led by the Hon.—now Sir—Robert L. Borden. Under this Act it was proposed to create a local Navy consisting of four cruisers of the Bristol type, one of the *Boadicea* class, and six destroyers, to be divided—a notable illustration of the influence of political considerations even upon the diluted strategy which commended itself to the Canadian Govern-

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ment—between the Atlantic and Pacific coasts. It was announced that if the vessels were constructed in the Dominion, which it was afterwards decided that they should be, the capital cost would be increased by 22 per cent.—a very low estimate.

What intention Sir Wilfrid Laurier's Cabinet really had at the time when this Act was passed in May 1910 it is impossible to say, but the fact remains that the Laurier Government went out of office in September 1911 without a single keel having been laid.

From the first Sir Robert Borden, who subsequently became Prime Minister, sharply criticised the proposals. Reporting upon the debate on the Bill which took place at Ottawa on January 11, 1910, *The Times* recorded:

"He dwelt on the advantages to Canada of her relations with the Empire, and twitted Sir Wilfrid Laurier with still holding views in favour of Canadian independence, as shown by his declaration during this session that the proposed Canadian Navy would go to no war unless the Parliament of Canada chose to send it. Could the rest of the Empire, he asked, be at war with some great naval Power and Canada be at peace? The Premier's

declaration, he held, meant the complete severance of every tie which now bound Canada to the Empire. But before the flag was lowered on Canadian soil there were some millions of Canadians who would know the reason why. Mr. Borden declared that he was no militarist, but he fully realised the necessity of provision for defence. Canada could not be a hermit nation. Mr. Gladstone in 1878 said that the strength of England would not be found in alliance with great military Powers, but in the efficiency and supremacy of her Navy—‘a Navy as powerful as the navies of all Europe’ . . . The proposals of the Canadian Government were, in his opinion, altogether inadequate. They were too much for experiment in the organisation of the Canadian naval service, and too little for immediate and effective aid.”

Sir Robert Borden’s criticisms of the Canadian scheme, and his interpretation of the situation in Europe, were proved by events to have been well founded. The Canadian people by their votes admitted subsequently that the Laurier proposals were inadequate, and the world crisis which Sir Robert Borden feared came, but by good

luck, or good statesmanship, fortunately passed without war.

The new Canadian Government, as one of its first acts, determined on a strong line of policy in full sympathy with the newly aroused Imperial spirit in the Dominion which had found expression during the elections.

It is unnecessary to revive the controversy which raged round the proposal of the Borden Government, set forth by Sir Robert Borden in the Canadian House of Commons on December 5, 1912, to make an immediate addition to the strength of the Imperial Navy by providing for the construction of three battleships or battle-cruisers of the largest size. The Bill authorising this action was passed by large majorities in the Lower House, but was defeated in the nominated Senate, in which Sir Wilfrid Laurier still possessed the accumulated majority of his long term of office. The result was that the war found Canada in a position to make no effective contribution to the naval defence of the Imperial interests worthy of her wealth and the high place she holds in the British Empire.

Of Imperial statesmen, Sir Joseph Ward and Sir Robert Borden were the first to recognise that the Empire was a unit, and

that its naval defence must be unified. What does this imply ? In the *Fortnightly Review* of April 1912, the following statement was made. It may be recalled with interest :

“ The British Empire may be compared to a block of flats which adjoins a powder-magazine. Each flat has its separate tenant who enjoys complete freedom, with his own servants and his own domestic arrangements. When the question of fire insurance comes to be discussed, is it imaginable that the whole cost of insurance should be borne by those tenants who happen to live on the side of the block which adjoins the powder-magazine ? Would the other tenants urge that by providing a few fire-grenades they were doing as much as could be expected of them ? Would it not be argued that if an explosion occurred, not one or two of the flats in the block, but the whole structure, would be razed to the ground ? That is the situation to-day of the British Empire. It is true that the United Kingdom lives next to a powder-magazine, but let there be no mistake about the peril for the whole Empire. If the powder-magazine explodes, while the United Kingdom may feel the first

shock, there is not an inhabitant of the Oversea Dominions who will not be affected.

"The British Empire is an entity, or it does not exist. If it is an entity, then surely it is the duty of every component section to do its part in bearing the burden of defending that entity. If it is not a real confederation of self-governing peoples, then let this be declared now and at once, for only by such a declaration can the Self-governing Colonies save themselves from bearing in time of war the same horrors of defeat as must fall upon the United Kingdom if the Fleet has been annihilated. There is no middle course. The Self-governing Colonies cannot take advantage of the British Fleet when peace reigns, and then when war occurs claim that they stand outside the conflict. If under peace conditions they enjoy the blessings which British supremacy ensures, then if that supremacy is dethroned they must be prepared to share the penalty of defeat.

"The second fact which they can ignore only at their peril is that the battle of the British Empire will be fought, not in distant seas, but contiguous to the naval armaments of the great European Powers. Canada, Australia, New Zealand, and South

Africa, the Indian Empire itself, and every inch of territory over which the British flag flies, are defended by the metropolitan fleets stationed in European waters. The truth of this statement calls for no proof. It is self-apparent that where the danger threatens, there the defence must be offered. Germany concentrates to-day every armoured ship, excepting two, most of her cruisers, and all her torpedo-craft, in the North Sea and the Baltic, and it is Germany which aspires to colonial greatness. Austria and Italy are expanding their fleets in the Mediterranean.

“The Oversea Dominions may play with the naval question to-day—they may create little fleets; but when the great clash of arms comes those fleets will have no more influence upon the eventual course of events than the navies of Colombia, Costa Rica, Ecuador, and the Dominican Republic. Is it imagined in any part of the British Empire that a few cruisers and torpedo-boat destroyers are going to stand between any Oversea Dominion and the designs of a great warlike Empire, with a Fleet costing between twenty and thirty millions annually, and an Army of upwards of four million men upon a war footing? The German Army con-

tains seven or eight times as many adult males as the whole of New Zealand; it consists of at least three times as many men as are to be found in the whole of the Commonwealth; and even Canada itself has not within its boundaries half as many men as Germany could place under arms within six weeks of the opening of a war."

The truth of these statements, made two and a half years before the Great War broke out, have been fully confirmed. The Grand Fleet was splendidly reinforced by New Zealand's gift-ship, and later on by the Australian battle-cruiser, which stood between the Empire and German domination, and it had to be admitted that in war there can be only one Fleet if victory is to be achieved.

The peace strategy of a maritime Empire differs essentially from that of a military Empire. When war comes there is a fundamental difference between the war strategy of the one and the other—the means by which organised violence is exercised in pursuit of national policy. Lord Kitchener, in a memorandum to the Commonwealth Government, made a statement a few years ago which may be recalled with profit:

“It is an axiom held by the British Government that the Empire's existence depends primarily upon the maintenance of adequate and efficient naval forces.”

The British peoples are incurably maritime—by geographical distribution, by instinct, and by political bias, because sea-power has always suggested freedom. At the moment when the Great War broke out, our naval power stood high—as a consequence of a series of “naval panics”; at the moment, but only at the moment, our military power stood low in comparison with the enormous forces—a total of about 12,000,000 men—which were immediately mobilised in Europe. Consequently, in the early stages, at least, of the war, the influence which we could exert most powerfully and most usefully to ourselves and those associated with us took a naval form. From the beginning our first line of defence became for the whole Empire our first line of offence. The North Sea became practically “a closed lake.” German trade was strangled, German shipping driven off the seas, and the German colonial empire divorced from the motherland and smothered in detail. All this in virtue of the strength and vitality of British sea-power.

Under the pressure of war the local navy ideal practically ceased to exist. All the Dominions placed whatever naval forces they possessed at the disposal of the Admiralty ; they realised that localism in a vast maritime Empire means weakness and probably defeat in detail, while by union strength is developed at the critical point and at the critical moment without regard to local interests, but solely with a view to an effective decision in the main strategical theatre from which must flow peace and security in other sea-areas. Apart from assisting in the convoy of Dominion troops to take part in the "great adventure," and securing the safety of various small expeditions in the Pacific, the local navies as such have made no contribution to the issue of the war. Even the success of the Australian cruiser *Sydney*, which destroyed the commerce raider *Emden*, supports this contention. The *Sydney* was one of several British and Japanese ships on her way to European waters—already beyond her local station—when, under the orders of the senior officer of the convoy of men-of-war, she had the opportunity of rendering conspicuous service.<sup>1</sup>

<sup>1</sup> The *Sydney*—British built and manned mainly by British officers and skilled ratings—was selected for the

An "eye-witness" on board the British cruiser *Philomel* has stated:

"About the time the Australian convoy was off Fremantle, the *Pyramus* and *Philomel* left to take their place in the cordon which was being drawn round the *Emden*. We had some inkling of what was in the wind before we left, and there was keen speculation as to how long she would be able to stand the attack of the two ships. Being faster than either of us, she could have drawn out of the fight whenever she had liked. Our course was shaped for Singapore, while the convoy was off to Colombo.

"Though I do not know how many ships took part in the cornering of the *Emden*, yet I know that several . . . ships formed part of the circle round her, . . . closing in from the Sunda Straits and the coast of Java. Had not the *Sydney* caught the *Emden*, something else would have done so, as the net was being drawn very close."

In a word, the Great War has reminded us once more of the unity of the seas and of the truth that if they are to be com-task presumably because of her relatively high speed and her modern armament, which gave her the advantage over the German vessel.

manded by the British peoples, there must be one Imperial Navy, representing one system of training and under some form of central control. Events in South Africa during the Great War have proved this thesis. That Dominion maintained no local navy, but, as General Botha admitted after his victory over the enemy, "were it not that the British Navy kept the seas clear, it would have been absolutely impossible for us to have achieved what we have done." South Africa was safe because the Grand Fleet stood sentinel in the North Sea ; on the threat of hostilities the Admiralty acted promptly and gained for the whole Empire the "advantage of time and place which is half the victory."<sup>1</sup>

Success in war depends, in no small degree, upon quick decisions and rapid action, which are only possible if there be unity of control over the main Fleet of the Empire.

<sup>1</sup> At the banquet to General Botha at Capetown on July 25, 1915, the Administrator (Sir Frederic de Waal) stated : "We owed to our Grand Fleet the fact that we could look with confidence to the result. Our Grand Fleet has cleared the seas, it has enabled us and our commerce to go on. It has prevented the forces of the enemy from coming to our shores. It has been able to maintain the economic conditions of the Empire, as well as the economic conditions of all its Dominions." General Smuts endorsed this statement.

## CHAPTER III

### THE UNITY OF THE SEAS : THE PRINCIPLE AND ITS APPLICATION

“The frontier of our Empire is the enemy’s coastline.”—  
VICE-ADMIRAL P. H. COLOMB.

BRITISH sea-power exists for one purpose, and for one purpose only. It is supported in order that it may win the command of the sea. By commanding the sea, British commerce is protected, communication between the different sections of the Empire kept open, and invasion of any British territory prevented. None of these ends can be achieved unless the British peoples are in a position to command the sea. That is a condition which does not exist during peace ; it has to be won after war has broken out—in other words, after an enemy, or combination of enemies, has declared its intention to deny the sea to us and our kith and kin, and thus make its will prevail against us. Once we have lost the control

of ocean communication we must be helpless and hopeless.

It is possible to imagine conditions in which the British Empire was spending, not £50,000,000 sterling, but £100,000,000 sterling on naval defence, and yet was forced to accept the challenge of a great naval Power with little hope of victory. Much of the current heresy on this question found expression in an article which appeared in one of the leading Scottish newspapers.<sup>1</sup> It was remarked :

“ It seems to us absurd to assert that we are in a worse position to-day because the Dominions are resolving to do something in the name of Imperial defence, but to do it in their own way. Canada was, Imperially speaking, a cipher ; it is now preparing to prefix a numeral to the naughts, and although we have a great respect for the principles of Imperial strategy, we do not believe that three battleships on the Atlantic seaboard of Canada might not, in conceivable circumstances, be a welcome reinforcement to our sea-power. Nor is it quite impossible that when Australia has completed its plans, and New Zealand has made further ad-

<sup>1</sup> *Glasgow Herald*, June 30, 1914.

vances with its proposed local fleet—which the Admiralty can set down to the debit side of their own impolitic breach of the Agreement of 1909<sup>1</sup>—the forces launched and manned may not be of use in one of the upheavals to which international politics are subject. But the main fact to be kept in mind is that the Self-governing Dominions must be allowed to determine the questions of defence for themselves. . . . And they will not pay as they should for a Fleet they do not see, and whose functions they do not understand."

It would have been difficult for any writer to expose more effectively—if unconsciously—the perils which are inevitably associated with local navies. Reference is made to the assistance which three battleships on the Atlantic seaboard of Canada *might* give; to the use to which naval forces provided by Australia and New Zealand *may* be put; and we are told that these nationalities will not, in any case, "pay for a fleet they do not see and whose functions they do not understand." Ships-of-war are not created to look at, but to fight. The station of British men-of-war is, and has always been,

<sup>1</sup> There was, of course, no breach, but merely a variation of details owing to the gathering war-clouds in Europe.

the potential enemy's frontier. They exist to encounter the foe with the least possible delay, and thus it happens that in the days of our greatest glory the sea battles—the battles which in reality gave Canada, Australia, and the other Dominions their present liberties—were fought far away from the United Kingdom—off the enemy's ports, and not our own. Happy the country which never sees its fleet in times of storm and stress, if it has confidence in its commanders and the assurance that they are waiting and watching to tackle the foe at the earliest moment and prevent him from invading the home seas. If the Dominions want to see their fleets, then the battle will be fought in their, and not in the enemy's, waters. That is the first point. The second is this: A naval organisation which is based upon the presumption that it *may* be of use is doomed to failure. British naval power must be created and organised with the assurance, not that it *may be*, but that it *will be* effective, otherwise the British Empire will sink. If Canada builds up a little Navy of her own, it may in process of time be as powerful as that of Holland. Australia may eventually own a Fleet about as large as is possessed by Spain; New Zealand may rank in naval

power with Sweden; and South Africa may, at great sacrifice, provide herself with a naval force little inferior to that of Denmark. Such local navies, each consisting possibly of a few armoured ships, a group of cruisers, and a limited number of torpedo craft, would cost a great deal of money and might minister to the sense of importance of the several Dominions, and even convey to them a feeling of security, the inhabitants watching with pride their vessels cruising off their coasts, but they would contribute nothing to the power of the Empire as a whole, by which alone the liberties of each Dominion can be safeguarded.

If defeat were inflicted upon the main forces which defend every section of the Empire, what would it profit this Dominion or that if it possessed a small group of ships in its own waters? The combination which succeeded in defeating the main fleets would be able to wipe out at its leisure all the smaller local forces. That is not to say that the Dominions may not, with advantage and with benefit to themselves and the Empire, develop local flotillas of cruisers and torpedo craft sufficiently strong to protect them against isolated marauding cruisers. But if this local effort is persisted

in to the exclusion of any measure of co-operation for the support of the main battle-fleets, upon which the security of the whole Empire must rest in the future, as it has in the past, then the sun of the British peoples must sink.

Unity is strength ; the seas are all one. These are the main truths upon which the naval defence of the Empire must be based, or defeat must be suffered. It is only by concentrated effort that the inhabitants of the British Empire can hope to hold command of the sea ; and without the command of the sea, to be secured only by the victorious action of battle-fleets, the British Empire cannot exist. That is a conclusion which the casuistry of politicians, either in the Mother-country or in the Dominions, cannot hide. If we deny the main purpose of British sea-power, which is the ability to control the communications between the various sections of the Empire, then we submit in advance to those communications being cut. Once we have relinquished this life-line of the Empire, we can never regain it. No enemy will permit us to enjoy again the blessings which have been ours for so many generations.

The principles which must be applied to

the defence of a maritime Empire are permanent ; conditions have changed—steam has replaced sails, wireless telegraphy has superseded slow and unsatisfactory means of communication, the seas are crowded with the merchant ships and warships of many nations—but every change has reinforced the dominating principles to which all sailors give their adherence. What these principles are were stated with admirable lucidity in a Memorandum prepared by the Admiralty for the Conference with representatives of the Dominions which assembled in London in 1902. Experience has shown that that document contained in a small compass the truth as to the naval defence of a vast maritime Empire. The declaration of the eternal principles of sea-power may appropriately be recalled now that we are under the shadow of the greatest naval struggle of all time :

“ The importance which attaches to the command of the sea lies in the control which it gives over sea-communications. The weaker sea-power is absolutely unable to carry to success any large military expedition oversea. The truth of this is shown by reference to the history of the past.

“ In ancient times the Greek victory of Salamis threatened the Persian communications across the Dardanelles, and doubtless this danger contributed to bring about their retreat into Asia.

“ The failure of the famous Syracusan expedition was due to the defeat of the Athenian fleet, and had its modern counterpart in the failure of Admiral Graves off the entrance to Chesapeake Bay in 1781. In both cases the army had to surrender because its communications were cut. The defeat of Nikias dealt a heavy blow to the supremacy of Athens, and may, perhaps, be said to have been one of the principal events which led to her downfall. The surrender of Cornwallis, at Yorktown, was the prelude to the independence of the United States.

“ The main cause of the failure of the expedition of Napoleon to Egypt was the defeat of the French Fleet at the Nile, which was the first step towards cutting his communications with France, and the subsequent surrender of the French Army.

“ On the other hand, the advantages which accrue to the stronger sea-power, after it has won the command of the sea, are equally illustrated by historical example.

“ The fall of Quebec and the con-

quest of French Canada was mainly due to the fact that our superior sea-power closed the Gulf of St. Lawrence to the French and opened it to us. In any similar struggle in the future, this route will be as vital as in the past.

“ The expedition to Egypt under Abercromby in 1801, the Peninsular war, the expedition to the Crimea, the South African war, are all instances of great military enterprises which could only have been carried out by a nation holding the command of the sea.

“ The command of the sea is determined by the result of great battles at sea, such as Salamis, Actium, Lepanto, those which led up to the defeat of the Armada, and those between the Dutch and English in the seventeenth century, in which each side concentrated his whole available force for the decisive struggle.

“ To any naval Power the destruction of the fleet of the enemy must always be the great object aimed at. It is immaterial where the great battle is fought, but wherever it may take place the result will be felt throughout the world, because the victor will afterwards be in a position to spread his force with a view to capturing or destroying any detached forces of the enemy, and generally to gather the

fruits of victory, in the shape of such outlying positions as the New Hebrides, Fijis, Singapore, Samoa, Cuba, Jamaica, Martinique, the Philippines, Malta, or Aden, which may be in possession of the enemy, his shipping and commerce, or even to prosecute such oversea campaigns as those in the Peninsula and South Africa.

“ Stress is laid on the importance of the great battle for supremacy, because the great development of the Navies of France, Germany, the United States, and Russia indicate the possibility that such battles may have to be fought in the future. *It is the battleships chiefly which will have to be concentrated for the decisive battle, and arrangements with this object must be made during peace.*

“ The geographical conditions and the varied interests of the maritime Powers prevent such complete concentration in modern times as was practicable in the past. Thus Russia divides her battleships between the Baltic and Pacific ; the United States between the Atlantic and Pacific ; both Germany and France have concentrated in European waters, where also the greater part of the British battleships are massed.

“ Our possible enemies are fully aware

of the necessity of concentrating on the decisive points. They will endeavour to prevent this by threatening our detached squadrons and trade in different quarters, and thus obliging us to make further detachments from the main fleets. All these operations will be of secondary importance, but it will be necessary that we should have sufficient power available to carry on a vigorous offensive against the hostile outlying squadrons without unduly weakening the force concentrated for the decisive battle, whether in Europe or elsewhere.

“ The immense importance of the principle of concentration and the facility with which ships and squadrons can be moved from one part of the world to another—it is more easy to move a fleet from Spithead to the Cape or Halifax than it is to move a large army, with its equipment, from Cape Town to Pretoria—points to *the necessity of a single Navy, under one control, by which alone concerted action between the several parts can be assured.*

“ In the foregoing remarks the word defence does not appear. It is omitted advisedly, because the primary object of the British Navy is not to defend anything, but to attack the fleets of the enemy, and, by defeating them, to

afford protection to British Dominions, shipping, and commerce. This is the ultimate aim.

“To use the word defence would be misleading, because the word carries with it the idea of a thing to be defended, which would divert attention to local defence instead of fixing it on the force from which attack is to be expected.

“The traditional rôle of the British Navy is not to act on the defensive, but to prepare to attack the force which threatens—in other words, to assume the offensive. On one occasion England departed from her traditional policy, and acting on the defensive, kept her ships in harbour unrigged and unmanned, with the result that the Dutch fleet sailed up the Medway and burnt the ships-of-war at their moorings.”

Effective British sea-power consists in the ability to keep open the routes of communication over the oceans which link together the various sections of the King’s dominions and are the highways of commercial, governmental, and social intercourse. Anything less than this measure of strength means ruin. The sea-routes of the Empire are very similar in their office to the trunk roads of the United Kingdom.

Every individual is interested not merely in the safety of the street in which he happens to live, but insists that the great arteries must be kept open. This end is achieved by a scheme of co-operation between the central and local authorities. The great highways are not only maintained, but are defended under this arrangement. There was a time when the high-roads of the United Kingdom were infested with marauders ; those were the days of local police forces or no police forces at all, each town and village being a law unto itself. If anyone suggested to-day that we should revert to these chaotic conditions, he would be denounced as a lunatic. And yet this is the policy to which the Empire was tending before the outbreak of the European War in regard to the great routes which unite its various sections. At a hundred and one points the trade lines of the Empire may be threatened. It is economically impossible to maintain at each of these points a force superior to any which it may encounter at a particular moment—a commanding fleet in the North Sea, another in the Mediterranean, another in the Atlantic, and yet another in the Pacific. The fundamental principles upon which British sea-power has always been based are :

First, the unity of the seas.

Secondly, the maintenance of a general naval supremacy.

Thirdly, the recognition of our ability to concentrate overwhelming force at any place where danger threatens before that danger actually exists.

In other words, the British Empire depends upon a general supremacy of the seas, and not upon the presence of isolated ships here and there to minister to the pride and sense of importance or a false feeling of security of small communities. General naval supremacy is the life-line of the Empire. Venice, Carthage, Greece, Rome, Portugal, and Holland—the history of all the great empires of the past proves that once this life-line is lost it can never be regained. It is not a matter of ships only or of men only, but it is a matter of an attitude of mind which finds its expression in large conceptions of policy, in sacrifices to win a great reward, and in an efficient organisation, not to remove the nervous and unfounded fears of this or that small community, but to attain strategic ends recognised to be essential to the peace of the whole confederation. No nation with great maritime interests has ever surrendered this

life-line—its general supremacy—and survived. That is the teaching of history, and contains a warning for all the British peoples, and particularly those who live at the extremities of the great lines of sea-communication. If there is an interruption—if the life-line be broken—though they have little warships off their own shores, these distant Dominions will be lost; an enemy which can cut the life-line can, at its leisure, sink the vessels in local flotillas. Local forces of small ships are merely of temporary use—to hold a position for a short time until reinforcements can arrive. Great issues depend on great fleets.

At this moment the life-line of the Empire is maintained in efficiency and held taut by two-thirds of the white people of the Empire; the other one-third, residing in the great Self-governing Dominions, though they derive full advantage from the vast and costly naval organisation, contribute hardly at all towards its support. That is the humiliation of the Empire.

What are the predominant facts revealed by a survey of the British Empire? India hardly enters into the consideration because, as Sir John Strachey, one of the most distinguished Indian administrators of the past

half-century, has remarked, “Financially this country [that is, the United Kingdom] contributes nothing to the maintenance of the Indian Empire. For all the work which she undertakes for India, whether it be for the British Army by which India is garrisoned, the charges for the India Office at home, or for any other services, great or small, she receives full payment.” Whether India’s contribution of only £100,000 a year to the maintenance of the British Navy can be regarded as “full payment” in view of the size of her oversea commerce and the length of her sea-coast is a debatable point; but, at any rate, India stands in quite a different relation to the Mother-country from that of the Dominions. India is not self-governing.

The commanding fact is that at present two-thirds of the white population of the British Empire live in the United Kingdom, and they bear, without assistance, except for a few small sums contributed to the Navy, the whole burden of Defence. It is they who pay the expenses of the Sovereignty and the diplomatic, Colonial, and consular services, and they maintain the Navy and the Army, which constitute the defence of every Imperial interest. In addition, they pay annually, on account of in-

terest and sinking fund, £24,500,000 sterling for the old National Debt, which, in the main, represents the residuum of the cost of the wars waged in creating the Empire and in defending it.

The burdens have reached gigantic proportions. Whereas in 1881 the 35,000,000 people of the United Kingdom spent approximately £25,000,000, upon the Navy and the Army, in 1914<sup>1</sup>, when the population stood at 45,000,000, they devoted to these defensive services approximately £80,000,000 annually. The population during this period increased by less than 30 per cent., while the growth in the burden of armaments was over 200 per cent. Of the £80,000,000 spent upon the Navy and Army, less than £10,000,000—the outlay on local flotillas and the Territorial Force—could be regarded as specifically for the protection of the British Isles, and the remaining sum—a matter of about £70,000,000, equivalent to a tax of over £1 11s. per head—represented the charge on the people of the British Isles for the general defence of the Empire. The British Expeditionary Force and the main fleets have been always held unreservedly at the disposal of all the British peoples.

<sup>1</sup> The last peace Estimates.

Give all the weight we may to the splendid enterprise and self-sacrifice with which the Dominions have devoted money, brain, and muscle to the development of the lands which British money and valour won for them ; yet it remains true that the position revealed by this rapid survey of the situation is one of humiliating inefficiency on the part of the statesmanship of the Empire—inefficiency, first, in the distribution of the burdens of the Empire, and, secondly, in making adequate provision for its defence. If we include the coloured subjects of the King, 10 per cent. of the inhabitants of the Empire are responsible for the maintenance of the Sovereignty, for the protection of the Empire from aggression, and for the due diplomatic representation abroad of the whole body. Moreover, that 10 per cent. consists of the section of the inhabitants of the Empire most embarrassed by social problems due to intensive civilisation, the solution of which tends year by year steadily to increase the already heavy burden of taxation. But this may be said : the Mother-country, to which the Empire owes its being and freedom, has never protested against the injustice which underlies the present anomaly ; she has never made the

facts authoritatively known to the self-governing Dominions overseas, or even to the great Indian Dependency, which but for the ubiquity of British naval power would have to spend annually £10,000,000 or £15,000,000 on its own fleet instead of £100,000.

This line of argument may possibly be met by the rejoinder on the part of a British subject oversea to the following effect : "We recognise that the Expeditionary Force, with the Special Reserve and the Army Reserve to support it in war, constitutes a great Imperial organisation. But the Admiralty seize practically every new ship for incorporation in the 'Home Fleets' ; these vessels are tethered to protect your shores. You keep these ships in Home waters, and, whatever may be our fate, you will, we fear, continue to keep them there to defend your shores."

Whoever was responsible for the designation "Home Fleets," as applied to the main naval forces of the Empire, committed a crime against the Imperial idea. The very nomenclature denies the only strategical principle upon which the safety of a widely distributed maritime Empire can rest. The self-governing portions of the Empire in the

period preceding the War were led to believe that the ships of the "Home Fleets" were stationed near the shores of the British Isles, not in pursuit of any Imperial duty, but in order to prevent the United Kingdom being invaded by Germany. We may be inclined to blame the Admiralty, but the blame in reality rests upon the British people. A good many years ago the now defunct Imperial Federation (Defence) Committee, in a Memorandum on naval co-operation, presented to Mr. Balfour when he was Prime Minister, stated the position honestly and frankly in these words :

"The example of the Mother-country in the past in pursuing a policy of her own defence, so obviously founded upon mistrust of the efficacy of sea-power to prevent military descents by sea, is largely responsible for the current misconceptions on the part of the Colonies of the relation of the Navy to their military security."

Articles and speeches convinced the peoples of the Dominions that the "Home Fleets" were so described because they were constituted of the ships permanently stationed

in Home waters. They were led to believe that the Admiralty denied, in its disposition of ships, the very strategic principle of the unity of the seas which has always been pressed upon the consideration of the peoples of the Oversea Dominions.

The truth, of course, is that British ships never have been tied to any particular sea. Strategy, not geography, has been the decisive influence. From time to time the potential enemy changes, and with every change, whatever the nomenclature of this fleet or that, the distribution of ships is necessarily altered. Before we realised the importance of a name, it had become the custom of the Admiralty to identify squadrons by associating them with particular seas. It was taken for granted that everyone who followed the development of naval policy would realise that the distribution of ships varied from year to year in accordance with our relations with other Powers, and that the names given to the squadrons were merely chosen for convenience in administration.

Though by its nomenclature the Admiralty may have seemed to deny the larger naval faith, it has never done so in practice. British naval power has always been fluid;

sometimes its main influence has been exerted in foreign waters and sometimes at home. Whatever the balance between the various squadrons, the principle underlying the disposition of the ships has always been the same—the unity of the seas. The distribution of the main naval forces in the pre-war period was based upon precisely the same principle of naval defence as was acted upon during the closing years of the nineteenth century, when every fully effective British battleship was stationed, not in the Near Seas, but in foreign waters. Within the lifetime of the present generation there was, for long periods, no single fully-commissioned armoured ship nearer this country than Gibraltar. In the early years of the present century, when Great Britain was in a position of “splendid isolation,” without a single friend in any continent, and when her potential enemy, France, was separated from her only by twenty miles of water, the right arm of the British people was bared in the Mediterranean, where France massed her principal squadrons. Later on, when war-clouds in the Far East threatened every British interest in the Pacific, the Admiralty, in pursuit of the eternal principle of naval strategy, dispatched to that distant ocean

such reinforcements that at length we had there six modern battleships, four first-class and four third-class cruisers, besides eleven sloops and gunboats. There was no advertisement of this change of disposition in the newspapers here or in the Dominions ; as circumstances dictated action, the concentration in the Pacific was carried out—our ships followed those of the potential enemy of that day. Only the most ignorant and negligible section of the population protested because Home waters were left denuded of ships. Imperial policy, and not the nervous and uninstructed fears of this or that section of the community, dictated the action of the Admiralty. The two main strategical theatres were the Mediterranean and the Pacific, and in those waters every effective battleship in full sea-going commission was concentrated. When the danger in the Far East disappeared, the reinforcements were recalled ; when the danger in the Mediterranean was overshadowed by imminent danger in the North Sea, the balance of naval power was again changed. Whereas every effective battleship had been stationed in foreign waters, there came a time when, under the pressure of a sudden emergency, every effective battleship cruised

off the new sea frontier—Germany's North Sea coast—with what result on the fortunes of the British Empire is now universally recognised.

Before the War mistaken deductions were drawn from a system of nomenclature which had not only outlived its days, but was pernicious in its influence. This country is no longer a European Power, but a world Power. It rubs shoulders with every nation in all the continents, and the misleading nomenclature of our main fleets conveys to the world, and to our own peoples overseas in particular, a misrepresentation of the ideas governing naval strategy. We have had no “Home Fleets” in fact, although we have had them in name; there has never been a Mediterranean Fleet. Divisions of naval power are purely temporary, and it is a cardinal error to suggest by names that they are permanent. The various squadrons not only vary from time to time in strength, but are actually based sometimes on one point and sometimes on another. The principle which underlies every change is the same, namely, the unity of all the seas which cement the King's Dominions into one Empire.

The only true principle in naval nomen-

clature is that adopted by Germany. She has no "Home Fleets." Her principal ships constitute "the High Seas Fleet," and there are—or were—a few small squadrons in distant seas. This fine title has had no small educative influence on German public opinion, particularly as from time to time, in order to illustrate the ubiquity of German naval power, ships were detached from this main force to cruise in distant waters. If the British Admiralty would run a pen through the title "Home Fleets," as it appears in each Navy List, and substitute the words "Grand Fleet,"<sup>1</sup> no little service would be done in promoting the highest Imperial cause. This great force would embrace all the principal ships kept in commission or in reserve, and would thus include not only the vessels in the North Sea, but those detached as occasion required for duty in the Mediterranean or the Pacific. The small squadrons or flotillas doing permanent police duty in the outer seas might conveniently retain their present designations—East Indies Squadron, West Atlantic Squadron, China Squadron, Cape Squadron.

<sup>1</sup> This is the title usually used by Admiral Sir John Jellicoe—after the suggestion had been made in the *Fortnightly Review*. The Admiralty still refers to "Home Fleets."

This matter of a name was in no small measure responsible for the sharp differences disclosed in the immediate past between the Admiralty and the Dominions in the Pacific. The misunderstanding was revealed in all its nakedness in the official comments which were made in the Antipodes upon Mr. Churchill's references in his speech of March 17, 1914, to the problem of Imperial naval defence. The First Lord pointedly remarked that if Canada were independent "she would no doubt have to make provision at least equal to that which is made by the most powerful South American State," at a very heavy charge, and he added that he did not "wonder that Canadians of every party feel that it is not in accordance with the dignity and status of the Dominion to depend entirely upon the exertions of the British taxpayers, many of whom are less well off than the average Canadian." After this reference to the impasse which had just occurred on the other side of the Atlantic, the First Lord turned to the Pacific :

"The safety of Australia and New Zealand is secured by the naval power, and the [Anglo-Japanese] Alliance,

which is based on the naval power of Great Britain. No European State would, or could, invade or conquer New Zealand or Australia unless the British Navy had been destroyed. The same naval power of Great Britain in European waters also protects New Zealand and Australia from any present danger from Japan. While Japan is allied to Great Britain, and while Great Britain possesses a sufficient margin of naval superiority, Japan is safe from attack by sea from the great fleets of Europe. In no other way in the years that lie immediately before us can Japan protect herself from danger of European interference. It would appear that the reasons which have led Japan to contract and renew the alliance will grow stronger with time. The growth of European interests in China and the general development of European navies on a scale greater than Japan can afford to imitate, will lead her increasingly to rely on that sure protection which British naval supremacy can so easily afford. The obligations of Great Britain to Japan under the alliance are not limited to preventing an armada being dispatched from European waters to alter suddenly the balance of naval strength in the China Sea. We are bound to maintain in these waters a

force superior to any other European Power, and consequently any danger to Japan arising from a gradual increase of European squadrons in the Far East is also provided against."

Mr. Churchill then discussed the Naval Agreement of 1909, which was arranged after conferring with Colonial statesmen. He asserted that the central principle of that compact was the idea that the Royal Navy would be represented "in the Pacific and Indian Oceans by double the force of the Australian Fleet unit."<sup>1</sup> Proceeding, the First Lord declared :

"We are doing more than that. We are not doing it in the same units. We are keeping the new battle-cruisers at home, where alone they will meet their equals, and we have placed on the China and on the Indian stations the two battleships *Swiftsure* and *Triumph*, and other armoured cruisers, which are quite sufficient for the work they will have to do, and which are not only an equiva-

<sup>1</sup> This was, of course, not strictly accurate. The Admiralty agreed that the New Zealand battle-cruiser should be the China flagship, making periodical visits to New Zealand waters, and that two Bristol cruisers, together with three destroyers and two submarines, should in peace be stationed in New Zealand waters. These provisions were not carried out, and for good reasons.

lent, but are an improvement upon the mere duplication of the Australian Fleet unit. I mention that because suggestions have been made that we have not given full effect to the 1909 Agreement. I maintain that, exercising the discretion of the Admiralty as to the class and disposition of the ships, we have given, and are giving, full effect to it. The alliance with Japan has now been renewed up to 1921, *with the full concurrence of the Overseas Dominions*. It is not to be expected that even after that date Japan will have less need of that powerful friend at the other end of the world, which will continue to be the first naval Power."

Developing his argument, the First Lord proceeded to make reference to the splendid patriotism of New Zealand in giving a battle-cruiser to the Empire, thus providing "in the most effective way for their own and the common security."

"No greater insight into political and strategical points has ever been shown by a community hitherto unversed in military matters. The situation in the Pacific will be absolutely regulated by the decision in European waters. Two or three Australian and New Zealand

Dreadnoughts, if brought into line in the decisive theatre, might turn the scale and make victory not merely certain, but complete. The same two or three Dreadnoughts in Australian waters would be useless the day after the defeat of the British Navy in Home waters. Their existence would only serve to prolong the agony without altering the course of events. Their effectiveness would have been destroyed by events which had taken place on the other side of the globe, just as surely as if they had been sunk in the battle. The Admiralty are bound to uphold and proclaim broad principles of unity in command, and in strategic conceptions, and of concentration in the decisive theatre and for the decisive event. That is our duty, and we are bound to give that advice in a military and strategic sense. The Dominions are perfectly free."

Continuing his explanation of Admiralty policy, Mr. Churchill referred sympathetically to the desire of the Dominions to have their own ships under their own control, cruising in their waters and based on their own ports, and praised the spirit exhibited by the Australians. Describing the Imperial Squadron which might be created under a

scheme of co-operation, Mr. Churchill said that the principle might be compared to a number of farmers, each of whom has the ordinary instruments of agriculture on his farm, but who combine together to buy a steam plough and steam thresher, of which each, in turn, according to his needs, can have the use. "There should be developed severally in Canadian, Australasian, and South African waters a naval establishment with docks, defences, and repairing plant, which would enable the Imperial Squadron, or any division of the British Fleet which might be detached, to operate in each theatre for a prolonged period."

Having thus indicated, in broad outline, the views entertained by the Admiralty responsible for the defence of the world-wide interests of the British Empire, the First Lord explained how the existence of an Imperial Squadron was to be reconciled with a measure of local naval activity by the Dominions themselves :

"Side by side with this there should be developed in each of these three theatres, so far as may be necessary, and allowing for local conditions, the local defence flotillas, both destroyers and submarines, for the purpose of both

defending their bases and establishments, and of operating, in conjunction with the Imperial Squadron, when it arrives. Great ships move easily and swiftly about the world, but small craft are, by their nature, localised, and can only traverse the ocean with difficulty and effort. Thirdly, the Dominions should locally maintain the light cruisers necessary, not for fighting battle-fleets, but for commerce protection in their own waters, and these cruisers would also combine with the Imperial Squadron or detachment of the British Fleet, when it arrives, to make the Fleet complete in all respects. In this way a true distinction will be made between the services which are essentially local, and those which are necessarily of general Imperial character. The Dominions will be afforded that individual local development which is necessary to arouse and maintain a keen naval interest, and to procure from them the sacrifices necessary for the maintenance or development of that naval power, while at the same time, by sending any capital ships they may have or acquire to the Imperial Squadron, they will create a really strong and effective naval force—not one or two ships isolated on particular stations—which will be able to move rapidly

and freely about the world, bringing aid in sufficient strength wherever it may be needed in time of war. That is the right policy it is my duty to proclaim on an occasion like this, and towards which we believe that future developments will gradually and naturally tend.”

These extracts indicate the line of argument adopted in a singularly statesmanlike utterance, which was at once cabled to the Antipodes, where it aroused the utmost hostility on the part of leading politicians in Australia and New Zealand. Forceful expression was given to the opposition by Senator Millen, Minister for Defence to the Australian Government. This Minister issued a memorandum, in which he denounced the First Lord’s statement without constraint, and declared that it involved :—

“ 1. The definite non-fulfilment by the Admiralty of obligations undertaken by the 1909 Agreement.

“ 2. The destruction of the basis on which the Royal Australian Navy was organised, and as a result of which the Australian people committed themselves to the expenditure of several millions of public money.

“ 3. The abandonment of those

features of the Royal Australian Navy which in 1909 were regarded by the Admiralty as most essential, especially the expression of opinion that battle-cruisers are not needed in the Pacific, and should be sent to Home waters.

“ 4. The replacement of a definite inter-Imperial co-operative policy for the naval defence of the Pacific by an unco-ordinated, ephemeral scheme possessing neither permanence nor clear aim and function.

“ 5. The substitution of the scheme of a powerful joint Imperial Fleet in the Pacific by ineffective isolated units.

“ 6. An interpretation of the effect of the Anglo-Japanese Alliance, which is not accepted in Australia as justified by the circumstances, and, if adopted by the Imperial authorities in either 1909 or 1911, might have involved a serious modification of the scheme recommended in those years by the Admiralty for acceptance by the Dominions.

“ 7. The ignoring of those ‘other considerations,’ which are so important from the wider Imperial point of view, and on which the Admiralty laid so much stress in 1909.

“ 8. The announcement of a vital departure in many important respects from a policy agreed upon between the Dominions and the Imperial Govern-

ment, without any previous consultation with, or even preliminary notification to, the Governments of the Dominions."

Nothing in Mr. Churchill's speech gave any support to the declaration that the Admiralty was engaged in "a reactionary movement," as Senator Millen suggested. The First Lord did not state, or imply, that it was desired "to destroy the basis on which the Royal Australian Navy was organised," but he specifically praised the Australian people for the sacrifice which they had made, and promised a continuance of Admiralty assistance, including, he might have added, the loan of about 2,000 men in the development of this new force—men whose presence in the main fleets could ill be spared—and valuable gifts representing millions sterling of British money. He did not state, or imply, that "battle-cruisers are not needed in the Pacific and should be sent to Home waters," but did suggest that they should cruise as a squadron, ready to go anywhere and do anything. Nothing in his declaration supported the contention that the Admiralty favoured "an unco-ordinated, ephemeral scheme possessing neither clear aim nor function." In short, all that the

First Lord did was to recommend the Dominions to provide local flotillas for local service, and, over and above this effort, to co-operate in providing an Imperial Squadron as an additional bulwark for the safety not of this or that section of the Empire, but of the Empire as a whole.

The misunderstanding was traceable in no small degree to the unfortunate references to "Home waters," and to the presence in the minds of Colonial statesmen of an inaccurate conception of the duty and functions of the "Home Fleets," so-called. The incident illustrated the necessity imposed upon the Admiralty of making clear the duty which the British Fleet performs and the principles upon which the ships are distributed. Admiralty policy is, in fact, merely a reflection from month to month of the international situation. But so long as the main forces of the Empire are known as the "Home Fleets" it will be impossible to convince Dominion politicians that the naval authorities are faithfully adhering to the only military principle which can ensure the safety of the Empire.

No one could read in the peace period the newspapers of the Dominions or the speeches of Colonial statesmen without being

impressed by the feeling that our kith and kin were under the impression that we were looking to them to assist us in protecting the shores of the United Kingdom, if we were not actually desirous by means of some naval scheme of robbing them of some part of their autonomous powers. The latter idea has nothing to support it. We would not, if we could, take over any share in the government of the Dominions. They are, and must remain, sovereign States under the Crown. On the other hand, who shall say that they are not justified in entertaining a suspicion of our Imperialism when they witnessed all the important ships flying the White Ensign being incorporated in the "Home Fleets"? What was the inevitable thought of the people of New Zealand when they saw their gift-ship forming a unit in the "first battle-cruiser squadron of the Home Fleets"? What was the conclusion reached by all kinsmen overseas when they learnt that the other gift-ship of the Empire, the *Malaya*, was also to be drafted into one of the squadrons of the "Home Fleets"? It was all very well for Mr. Churchill to insist that the "Home Fleets" cruised in Home waters in order that the Empire as a whole might be protected. The

nomenclature was an apparent denial of the larger principle of Imperial naval policy. The Dominions were led thereby to believe that our conception of naval policy had become contracted; that we did not practise what we preached; and that whatever changes might occur in the political situation, whether affecting the Near Seas, the Atlantic or the Pacific, the ships of the Home Fleets would still remain ships of the Home Fleets cruising in Home waters. Fortunately Germany has since proved the wisdom of the Admiralty strategy and the folly of its nomenclature.

If we are ever to evolve a reasonable and efficient scheme of naval co-operation, the suspicion attaching to the Admiralty must be removed. The preliminary to the creation of a fleet based upon Imperial co-operation must be a change in the designation of the principal squadrons of the Royal Navy. The present title "Home Fleets" cloaks the strategic principle which the Admiralty not only preaches, but practises, as the history of the disposition of his Majesty's ships, with which the peoples of the Dominions are unfamiliar, amply proves. It hides this principle, and it conceals from view the anomalous relations between the

Mother-country and the Empire as a whole, which results in 10 per cent. of the subjects of the Empire bearing, practically without assistance, the whole cost of the naval defence of the Empire's world-wide interests.

The present position is not only anomalous, but dangerous. In all naval discussions the sufficiency of the naval force available for the entire Empire was usually judged in the past by the effort of, and the number of ships possessed by, Germany. The 60 per cent. standard ignored the changing balance of power in the Mediterranean, and it had no relation to the great fleets increasingly dominating Pacific waters, which wash the shores of two-thirds of the British Empire. To the peoples of the Australasian Dominions their Home waters are the Pacific. Any naval policy ignoring this fundamental consideration is doomed. The British Navy must be adequate for the world-wide needs of the whole British Empire.

What are the facts to be faced? The British Empire cannot at one and the same time possess supreme naval power on both sides of the Equator. Its safety can be secured only by the provision of one unchallengeable fleet to be distributed from

time to time so as to correspond with the political needs of the confederation. So long as we continue to speak of "Home Fleets," we cannot fairly condemn the inhabitants of Australia and New Zealand and the people who live on the Pacific slopes of Canada for wanting "Home Fleets" of their own. The path of Imperial salvation lies in a clear differentiation of naval force. Battle-fleets are for the high-seas and flotillas are for local service. The former possess wide radius of action, and can move freely from ocean to ocean at a signal from superior authority, as the Great War has illustrated. Flotillas, consisting of small cruisers and torpedo craft, are necessarily of restricted use. It is only by co-operation between every part of the Empire that adequate battle-fleets can be provided to meet the recurring strain of foreign rivalry; it is only by the growth of naval sentiment in the Dominions themselves that local flotillas can be established and maintained in reasonable strength for local duties.

We are at the birth of a new naval era. A quarter of a century ago, when the task of providing a two-power-standard fleet was undertaken, there was only one other great navy in the world—that of France.

We could be content if we possessed a reasonable margin of strength over that one Power. To-day there are seven other great fleets—five of them European, and two of them extra-European. We are confronted with entirely new conditions, which the 60 per cent. naval standard does not take into account. Can we expect Dominions whose shores are washed by the Pacific to be content with a margin of naval strength which is based upon a purely European standard, and finds its expression in "Home Fleets"? They accept, if somewhat dubiously, the assurances of the Imperial authorities that for the present our liabilities in the Pacific have been reinsured by the bond contracted with Japan. They look to the future, and they do not believe that that bond is permanent. They wish to lay the foundations of Imperial naval power so securely that it may withstand any shock, however great and wherever felt. They are surrounded by a lower civilisation, the incursions of which it is their firm determination to resist, because they believe that it means the extinction of the white race in the Pacific. Can we in the Mother-country, who have fears of our own which many of the peoples overseas consider exaggerated,

brush aside the fears which they on their part entertain as to their security in future years ? One thing is certain. If a sympathetic attitude is lacking and the Dominions are led to endeavour to stand in isolation in defence of their Home waters, first virtual bankruptcy, and then, it may be, defeat and humiliation, will overwhelm them.

Unity of action for the naval defence of Empire must be preceded by unity of sentiment and policy in reference to the destiny of the Empire. A widespread education in our Imperial responsibilities is needed. We cannot continue to ignore the fixed determination of the Pacific Dominions to pursue a "White policy." There are parts of the Empire where Asiatics can settle, but they are out of place in Australasia, Canada, and South Africa. We must recognise this and we must make a compact. We can say in all sincerity to our kith and kin of these Dominions, united on this subject :

" We fully appreciate your position ; if we were Australians, New Zealanders, Canadians, or South Africans, we should every one of us hold the same views. We should not want people of the yellow races living cheek by jowl with us, voting, having a voice in the making

of the laws, and determining the standard of living. Whether you are right or wrong is a thing that doesn't matter ; you want a white Australia, New Zealand, South Africa, or Canada as the case may be, and we are prepared to support that doctrine by finding other and unobjectionable outlets for the Asiatic emigrants. We admit that the colour-line is a permanent factor.

“ But now you must also look at our position. We are prepared to help you in your difficulties. Will you educate your people to understand our position ? Our position in Europe is that of the independent nation which desires to see no Power so strong that it can dictate to the remainder and impose its wishes upon any other by force.

“ Bear in mind this : if the balance either in Europe or in the Pacific is definitely upset and one Power becomes so strong that none can stand against her, we—the whole Empire—must eventually go under. Your existence as independent States depends upon whether we can assist you to assure it, at any rate for some generations. Therefore, our interests are in the ultimate form absolutely interdependent, and we must be prepared to work and, if need be, fight together.

“If the Empire remains united, we do as we like and develop in peace on the lines of government which we consider sound, thereby avoiding militarism, burdensome taxation, anti-popular government, and other developments which are repugnant to Anglo-Saxon stock. In short, let us—we in the Mother-country who are strong and wealthy, but have many burdens, and you in the Dominions who are growing strong and wealthy, but have at present relatively light burdens—pull together in a spirit of mutual helpfulness which is the spirit of true strategy for a maritime Empire. Let us, as a first measure, proceed to educate our people in the Overseas view, and you to educate yours in the British view. From such a generous understanding we shall all profit, gaining immeasurably in sympathy and in strength.”

The War has revealed not merely the unity of the Empire, but the unity of the seas and the necessity for unity of control of the British forces on those seas. What is the main lesson which the war has enforced? Only by co-operation, by the provision of a Grand Fleet, distributed from month to month and year to year in accord-

ance with the political needs of the whole Empire, can we face the future with assured confidence. That way lies safety. The maintenance of a Grand Fleet in supremacy and efficiency on a co-operative basis is the dominating need, and of quite secondary importance is the establishment of local flotillas of cruisers and torpedo craft. On the Grand Fleet must fall the responsibility of challenging and defeating an enemy. If the Grand Fleet is too weak and suffers humiliation, then all local effort will be in vain, as events which have occurred since August 3, 1914, have shown. The force which can crush a walnut can have no difficulty in smashing a filbert.

We must acknowledge that the British peoples cannot be supreme simultaneously in the North Sea and the Mediterranean on the one hand, and in the Atlantic and the Pacific on the other. If we were to make any such effort, the present strength of the British Navy would have to be practically trebled. If Canada, Australia, New Zealand, and South Africa combined to provide a naval force in the Pacific merely equal to that of Japan alone—in other words, a one-power-standard fleet—the expenditure would exceed £20,000,000 sterling, owing to

the higher standard of living and wages among the white peoples in the Pacific as compared with the conditions in Japan. On economic grounds we are compelled to dismiss all thought of being in a position to command at one and the same time the seas of Europe and the seas of Asia. It must be the task of diplomacy to see that the British Empire is not called upon to defend its interests at the same moment in both spheres of influence. That is, indeed, the A.B.C. of diplomacy. It was the realisation of this necessity which led the Foreign Office to conclude a treaty of alliance with Japan. That Power needed our support—and needs it to-day more than ever—and it was convenient to us at the moment to receive hers. Do the inhabitants of the white Dominions of the King, who acquiesced grudgingly in this arrangement, ever consider what their position would have been during the Great War if no effort had been made thus to reinsure our responsibility in this part of the world ? Treaty or no treaty, under the pressure of the naval conditions in Europe, the Admiralty would have been compelled to concentrate the forces of the Empire in the two main strategical centres—the North Sea and the Mediterranean. Treaty or no

treaty, the representation of the flag in the Pacific would have become almost negligible. The British Dominions would have suffered under a feeling of insecurity which no efforts on their part or on our part could have lessened.

The more the problem of Imperial naval defence is studied, the clearer it will become to us in the Mother-country and to the peoples of the Dominions that there is only one solution. Each section of the Empire must develop its own defensive machinery against raids and incidental interference with commerce by isolated cruisers—a matter of relatively small expense. But more important than such localised effort is the absolute necessity of combining to build up battle-fleets to command the sea. The command of the sea—the ability to control the communications of the Empire—must be placed within our grasp.

When the Great War closes circumstances may not be favourable to the creation of Imperial battle-fleets—that is, battle-fleets supported by the whole Empire and paid for by the Empire out of a general Imperial Naval Fund—but we can work towards that ideal. An Imperial Admiralty is an impossibility for some years to come, for two sufficient

reasons. In the first place, two-thirds of the white population of the British Empire live in the United Kingdom, and therefore under any co-operative scheme the onus of decision upon important questions by an Imperial Board would rest with the representatives of the United Kingdom. The delegates from the Dominions who were members of such an authority would be without effective power, even though they contributed pro rata in proportion to their white population to the upkeep of the Fleet. On the standard of expenditure revealed by the Estimates of 1914-15, any such arrangement would involve an annual charge upon Canada, Australia, New Zealand, South Africa, and Newfoundland of £11,000,000 or £14,000,000, as compared with £26,000,000 or £27,000,000 paid by the Mother-country. That would be over and above the sums which the various sections of the Empire would expend on their local flotillas. Any suggestion of co-operation on such a basis would meet with determined opposition in the Dominions as being too costly, particularly in view of the burdens which the War will have imposed. The times are not ripe for such a development of policy.

Nor is this the only obstacle to any heroic

step forward. The peoples of these self-governing sections of the Empire are jealous of their autonomous powers. Experience has shown that they are suspicious of the Mother-country in this respect. Why this feeling should exist is difficult to understand. The Mother-country having of her own free will delegated to the Dominions complete sovereign power under the Crown, why should she now, when she is embarrassed with the complexity of her own affairs, desire to take upon herself again any sort of control over these distant sections of the Empire ? There is certainly no responsible person in the British Isles who is so foolish or mad as to believe that the time can ever come in any circumstances when England will have any inclination to interfere in any way with the internal affairs of the Dominions, either in great things or in small. The Mother-country is necessary to the Dominions ; and the Dominions are necessary to the Mother-country. The obligations are mutual, and as we in the United Kingdom have no intention of surrendering to others, however closely related to us by blood, any semblance of control over our internal affairs, so we recognise the right of the Dominions to work out their own

salvation as and how they will. The mere fact that such a suspicion, however unfounded and however ludicrous it may appear, does exist, may well warn us against entertaining grandiose naval schemes unsuited to the present conditions.

But if we are compelled by circumstances to dismiss as unpractical at present any proposal for the foundation of an Imperial Admiralty drawing support in ships, men, and money pro rata from the several sections of the Empire, we are not thereby debarred from the hope of making some progress in the direction of co-operation. If it be conceded that the security of the Empire depends upon command of the sea, then it should not be impossible to lay the foundations of a scheme which shall be strategically sound and at the same time politically feasible. In order to achieve the end in view it is only necessary to vary the fleet-unit scheme which was adopted in 1909. The idea then was that a fleet-unit should consist of a battle-cruiser, three scout-cruisers, six destroyers, and three submarines. It was originally proposed that these units should remain each more or less separate and distinct during peace, but should be combined in war. It was a politician's scheme of compromise, which

never had many friends among responsible naval officers, and has few to-day. A variation could easily be made which would make all the difference. If each Dominion provided a fleet-unit, it might retain as a local force, under the authority of the Dominion Government and manned by Dominion officers and men, one of the scout-cruisers and all the nine torpedo-craft. According to the latest calculation of the Admiralty, this would involve a capital expenditure—the first cost of the ships—of £1,600,000, and the annual charge for maintenance would amount to about £185,000. By this means a local flotilla would be provided, consisting of a cruiser, six destroyers, and three submarines. If desirable, the size of the flotilla could be increased ; but even such a force as is suggested would require about 1,500 officers and men, and this effort would tax the resources of any one of the Dominions, as experience has shown.

Of each fleet-unit there would remain a battle-cruiser and two scout-cruisers, and these might, with assistance from the Mother-country, form the nucleus of an Imperial Squadron. The first cost in the case of each Dominion for these Imperial ships would be about £3,500,000, and the annual expendi-

ture in upkeep, to be met by each Dominion Government, would be approximately £300,000. Thus, at a cost of less than half a million a year in the case of each Dominion, a local flotilla would be provided and a contribution made to the creation of an Imperial Squadron, the ships remaining the property of those who pay for them.

If the Dominions provided six fleet-units on the basis of two by Canada, two by Australia, one by New Zealand, and one by South Africa, the pressure of public opinion would suffice to ensure the Mother-country contributing to the Imperial Squadron two battle-cruisers and four scout-cruisers. The Empire would thus obtain, over and above the standard of naval strength maintained, as at present, by the Mother-country for the Empire generally, a free cruising force, Imperial in its character and Imperial in its mission, consisting of eight battle-cruisers or swift battleships, and sixteen scout-cruisers.

The difficulty is to suggest how this Imperial Squadron should be administered and controlled. Such a scheme, to which the Dominions contributed most, would naturally involve predominant control by them. A simple arrangement would be the consti-

tution of an Imperial Navy Board, with its headquarters in London, but free to visit the Dominions as circumstances might suggest, and there deliberate. This Board might be framed on the basis of each Dominion being represented in proportion to its contribution ; thus Canada and Australia would have two representatives each, and New Zealand and South Africa one each, but that would be a matter for arrangement. The Mother-country could be represented by two experts, the First Sea Lord and the Second Sea Lord, with the First Lord, the politician, as an ex-officio member. This body would be separate and distinct from the Admiralty.

In these circumstances, the prevailing voice in the administration and the disposition of the Imperial Squadron would rest with the Dominion representatives, who would be in the proportion of six to two. The Board would naturally conduct its business in close association with the Board of Admiralty, in order to obtain the best expert advice, and would have the assistance of the Naval War Staff. The four principal members representing the Dominions might conveniently be styled Assistant Ministers of Defence, and in the case of Canada and

Australia there might be subsidiary Ministers. These representatives of the Oversea Empire would be able to keep in constant touch by cable and by mail with their Home Governments, and on their behalf the Dominions would be in a position to accept the Colonial Secretary's invitation to membership of the Committee of Imperial Defence.

Think what a scheme of this character would mean ! Such a squadron would represent the Empire. In proportion to their resources the Dominions would draft officers and men into the ships, which would maintain a distinctive national character, the Mother-country supplying any deficiency so as to ensure full complements in each case. This brings us to a matter of importance on which misapprehension exists. There is no difficulty in obtaining as many officers and men in the British Isles as are required for the sea-service, and, if the Admiralty had due notice to ensure sufficient numbers being trained, they would be forthcoming. Service in the Imperial Squadron would represent the summit of ambition of every officer and man in each Dominion flotilla. There would thus be a continual interchange of personnel between the local flotillas and the Imperial Squadron, with immense ad-

vantage to the sea-service of the Empire. Imperial in its character, the squadron would be Imperial in its mission. It would be based upon no one port, though its spare gear and war stores might be kept at Gibraltar, and at that base it would most conveniently refit. Each Dominion, for the use of its own flotilla, must inevitably develop adequate places of refreshment for men-of-war. As it cruised from one part of the Empire to another, in accordance with the plans of the Imperial Naval Board, the Imperial Squadron would periodically use every suitable port of the Empire. The Imperial Naval Board would be debited for all charges incurred for docking, repairs, and sea-stores, and these charges would be met out of the Imperial Navy Fund, which the Board would administer.

The advantages flowing from the creation of such an Imperial Squadron would be incalculable. The defect of the original fleet-unit lay in the fact that each Dominion was to provide a Dreadnought ship, three scout-cruisers, and nine torpedo-craft, which during peace would train in isolation. In these circumstances manœuvres would be impossible, because there are tactics of the battle-fleet, and tactics of the cruiser-

squadron, and tactics of the torpedo-flotillas. Moreover, however willing the local naval authorities might be to conform in drill and general routine to an Imperial standard, differentiation would inevitably occur, and in time of war the several units would not co-operate together efficiently.

By the system of co-operation which has been suggested a large force would be created, consisting of eight Dreadnoughts and sixteen scout-cruisers. The squadron would be able to carry out manœuvres on a large scale, although it would not necessarily always cruise as a strategical unit. When the political situation was favourable, the Imperial Naval Board might detach some of the ships to cruise in the North Pacific, and others in the South Pacific, while at another time one section might be off the coast of South Africa, and another off the Atlantic coast of Canada. It would not be necessary to keep the squadron always concentrated, but periodically all the units could be assembled for joint exercises in the Pacific or the Atlantic, and, moreover, the squadron as a whole would be available occasionally, as seemed wise to the Imperial Naval Board, to join in a scheme of combined operations with the battle-fleets and

cruiser-squadrons maintained by the Mother-country.

In this way the Empire would gain what is the talisman of victory. The fundamental principle of the German Navy Act was summarised in the following passage, which appeared in the Memorandum which accompanied the Act of 1900. "Our endeavours," it was there stated, "must be directed towards compensating for that superiority [of the greatest naval Power] by the individual training of the crews, and by tactical training in large bodies." It was also laid down as a fundamental principle "that a satisfactory individual training of individual crews, as well as sufficient tactical training by practising in large bodies, can only be guaranteed by permanent commissioning in peace-time," since "economy as regards the commissioning of vessels in peace-time means jeopardising the efficiency of the fleet in case of war." Any scheme of British Imperial co-operation for naval defence which ignores this vital principle of naval warfare will contain the seeds of defeat. Germany's naval ambitions have not been realised, in spite of the sound strategic principle upon which her Navy was expanded. War came before they

had been completed. If hostilities had broken out ten or fifteen years later, it is not merely possible, but probable, that Germany would have wrested the trident from us. British and Dominion naval forces would have been widely distributed, while Germany's naval power would have been concentrated. Concentration, as the war has proved, spells victory.

## CHAPTER IV

### THE ARMIES OF THE EMPIRE

“We can only secure the Imperial water-roads by a firm grip on the points which command them, and fleets will be paralysed if the points between which they operate are not held by military forces sufficient to render the protection of sea-going fleets unnecessary.”—VICE-ADMIRAL P. H. COLOMB.

THERE is one fundamental difference between naval power and military power: the former cannot be improvised, but the latter can. During the Great War, the issue of the contest on the sea has rested with the fleets which the belligerents possessed at the outbreak of hostilities, though Great Britain, by exercising powers of pre-emption over a number of warships which were under construction in her shipyards for foreign Powers, was able somewhat to increase her naval strength. On the other hand, when the peace was broken, Great Britain possessed, closely associated with the forces of India, an exiguous army, apart

from citizen soldiers, and none of the British Dominions contained any military forces in any way comparable in training and military efficiency, whatever may have been their moral, with the armies of the two central European Powers against which war had to be waged. The Dominions, however, had created machinery for national military training which proved of considerable value, and the United Kingdom possessed in the quarter of a million Territorials an invaluable nucleus round which to construct the new armies which have since played so heroic a part in the struggle on the Continent.

So far as the military defence of the Empire is concerned, the primary lessons which the Great War has enforced are simple. They lie indeed on the surface. It became apparent at once that, as Mr. Gladstone once observed, "We are essentially, incurably, a maritime Power." Writing in the *Edinburgh Review* of October 1870, the great Liberal statesman remarked :

" In the mixed dispensation of human affairs physical incidents often carry or determine profound moral results. Shakespeare said three centuries ago that a peculiar strength of England lay

in her insular and maritime position. . . . It is hard to say whether or when our countrymen will be fully alive to the vast advantages they derive from consummate means of naval defence, combined with our position as islands. Our lot would be perhaps too much favoured if we possessed, together with such advantages, a full sense of what they are. When the Almighty grants exceptional and peculiar bounties He sometimes permits, by way of counterpoise, an insensibility to their value. Were there but a slight upward heaving of the crust of the earth between France and Great Britain, and were dry land to be substituted for a few leagues of sea, then, indeed, we should begin to know what we had lost."

The Great War has brought home to every British citizen, wherever his home is situated, a realisation of the truth that every section of the Empire is insular. This statement may be contested, but broadly speaking it rests on a sure foundation. Every section of the Empire is not surrounded by water, but, where water is missing, conditions exist which give to the territory an insular character. Where the sea does not wash the shores of the Indian

Empire, it is protected by the heights of the Himalayas and by the Sulaiman Mountains. The greatest military geniuses of the world, from Napoleon downwards, have had reason to appreciate the obstacle which the Sinai Desert imposes to the invasion of Egypt. A hundred years of peace between the British and American peoples and the insignificant military forces supported by the United States Government confer upon Canada a sense of security which could hardly be greater if her southern frontier were washed by the sea. Whereas Mr. Gladstone in his day was impressed by the peculiar strength of England in her insular and maritime position, we of a later day cannot fail to be impressed with the impregnable character of the whole British Empire so long as we maintain adequate naval forces for the exercise of the control of the sea. The Empire floats on the British Navy, as the war has illustrated so dramatically.

The military strength of the British peoples, in short, resides in large measure in their naval strength. Military force in any part of the King's dominions can be readily improvised if the British Fleet controls the sea-communications between the United

Kingdom and the Dominions. Behind the screen created by our unchallenged sea-power the Governments of the United Kingdom and the Dominions on the outbreak of the Great War set to work to create new armies. In the history of warfare no spectacle was ever presented illustrating more conclusively the value of naval power than the scenes which were witnessed in all the lands acknowledging the British connection after Germany and Austria had plunged half the population of the world into hostilities. Sea-power enabled us to draw munitions from neutral countries, thus hurriedly making those preparations for war which our enemies had undertaken deliberately at their leisure. Sea-power preserved tranquillity in every section of the Empire, except South Africa,<sup>1</sup> while the task of recruitment, training, and equipment proceeded. Sea-power gave the assurance that, when the military power had been organised and trained, it could be mobilised at any desired strategic point, transports carrying it in complete security over the world's oceans to the scenes of conflict in Europe.

<sup>1</sup> General Botha has acknowledged that the salvation of South Africa was due to the British Fleet. Had it not been for the strength of the British Navy, South Africa to-day would be a German Colony.

Neither we nor those who come after us are likely to forget that our ability to assist on the Continent in overthrowing the threatened Teutonic domination rested upon the efficiency and sufficiency of the British Fleet. But the realisation of this truth and pride in the success of the measures of military improvisation which were adopted cannot be pleaded as any excuse for permitting the British peoples to remain in future as unprepared in a military sense as they were in August 1914. It is essential, no less for the safety of the inhabitants of the British Empire than of the other democracies of the world, that the British peoples should co-operate for the provision of military forces commensurate with their responsibilities and their wealth. George Washington, in addressing Congress in 1798, observed :

“ There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it ; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war.”

This statement by the great American President may be applied to the British Empire. It is not sufficient that it should possess a supreme fleet. Naval power has its limitations; it cannot climb mountains, or supply the place of military power. As a corollary to sea-power, it is absolutely essential that the British peoples should possess land-power. An army is to a fleet what a projectile is to a gun. In every war against a great military Power there comes a moment when naval force has done all that it can do to impose its will upon the enemy, and then it is necessary that the army should continue offensive operations ashore in order to bring the war to a speedy conclusion. Navies and armies, in short, are complementary one to the other. Their relative importance differs according to geographical and political conditions. Because the British Empire is incurably maritime, it does not follow that it needs no army. On the other hand, the primary rôle which must be played by the British Navy and the expense which the maintenance of a supreme fleet involves impose economic restrictions on the scale of our military forces which, however disadvantageous they may seem to some persons, are inevitable

and irremovable. Within the limits of vision, the British peoples can never hope to rival the great military Powers of the Continent of Europe. The available money which can be spent on defence will not enable us to be at once supreme by land and by water, nor is it necessary that we should strive after this condition. In the first place, as events have shown, military power can be improvised ; in the second place, the nations of the world would never permit the British people to be at one and the same time unchallengeable by sea as well as by land. There are a thousand reasons why, at any rate in our time, the British Empire should not become one of the great military Powers of the world. But, on the other hand, history reminds us that never again should we be caught as unprepared in a military sense as we were on August 4, 1914.

We may well be thankful, however, that the military conditions not only in the British Empire, but in the Dominions and in India, were immeasurably better on the eve of the Great War than those which existed when the conflict occurred in South Africa at the close of last century. In the interval great tasks had been performed and no little progress had been made not only in

strengthening our military forces, but in developing schemes of co-operation and co-ordination. It may be that when the events of the Great War in their influence upon the development of the British Empire come to be reviewed in the perspective of history, it will be held that the struggle gave the necessary impetus to the military movement throughout the Empire which was either in danger of languishing or of being developed on wrong lines. At any rate, it is certain that in the immediate future renewed efforts must be made to increase the military strength of the British peoples, and that the measures adopted must be based upon the invaluable lessons which the Great War has enforced.

The military problem is less difficult of solution than the naval problem. Naval warfare represents a far higher scientific standard than land warfare. Ruskin once declared that man put into the construction of a warship "as much of his human patience common sense, forethought, experimental philosophy, self-control, habits of order and obedience, thorough-wrought handiwork, defiance of brute elements, careless courage, careful patriotism, and calm acceptance of the judgments of God as could well be put

into a space three hundred feet long by eighty broad." This declaration was made when a ship-of-war was built of wood, propelled by sails, and carried guns little more powerful than those which were used at the Battle of Trafalgar. In the interval since those words were written, there has been rapid progress and every ship-of-war is to-day a box of complicated machinery. It is held that a modern Dreadnought, which takes three years to build, and its crew nearly twice as long, on the average, to train, is the equivalent to an army corps; but there is this distinction, that whereas one army corps could probably co-operate with more or less success with other army corps, although it had been trained in peace under a different system, a battleship could not take its place in a fleet confronting an enemy unless officers and men had been trained over a long period in association with the other units of the command. The same principle applies, in great or less degree, to cruisers, destroyers, submarines, and many of the auxiliary ships employed in naval warfare. While, therefore, dispersion of naval force in peace may contain the seeds of defeat, the disadvantages attaching to the separation of military units,

as is necessarily the case in the British Empire, do not apply to anything like the same extent.

When the Imperial Conference assembled in 1909, Field-Marshal Sir William Nicholson, who was then Chief of the General Staff, prepared a valuable Memorandum "for so organising the military forces of the Empire as to ensure their effective co-operation in the event of war." A careful examination of the military resources of the British peoples convinced him that "not only is the aggregate military force of the Empire small in proportion to the extent, population, and offensive requirements of the Empire, but the force available by terms of service for expeditionary action in any part of the world, whether offensive or defensive in its nature, is almost insignificant when compared with the vast armies of the continental Powers and Japan." Sir William Nicholson laid down one fundamental principle :

"To produce an army which will be an effective instrument of war, so far as its numerical strength admits, its component parts should be organised and trained on a system which will render them capable of combined action in war. To produce an army which

can promptly bring its full power to bear at the decisive point, its component parts should, as far as possible, be capable of employment in time of war in any theatre of operations where their services may be required. Only a fraction of the military forces of the Empire at present fulfils these conditions."

Proceeding to develop his thesis, Sir William Nicholson pointed out that the Imperial military ideal involves the following axioms :

" 1. That without superiority at sea our Empire cannot be maintained.

" 2. That it is the duty of each self-governing portion of the Empire to provide, as far as possible, for its own territorial security.

" 3. That schemes of mutual assistance in time of need should be prepared upon a definite system.

" It appears to be generally recognised that these three principles of sea-command, self-defence, and mutual support must be the basis of any sound system of Imperial defence.

" The Mother-country has recognised these needs—

" (a) By the maintenance of a Navy which is designed to keep command of the sea.

"(b) By the provision of Territorial Forces for home defence.

"(c) By the creation of an Expeditionary Force ready to proceed to any threatened part of the Empire.

"The Dominions have shown their appreciation of two of the foregoing principles by their recently expressed desire to share in the burden imposed by naval armaments, and by their endeavour to organise efficient local forces."

He assumed that "the citizens of Greater Britain are now alive to the vital necessity of sea-power," and that "they realise that without it co-operation in war would be impossible and the dissolution of our scattered Empire inevitable."

"The risk of such a disaster must be avoided at all costs. It seems almost certain that if the United Kingdom, with the aid of her daughter nations, can successfully maintain her maritime position, if the Empire continues to increase in military strength proportionately to its growth in wealth and population, and if we can organise some comprehensive system of Imperial strategy based upon the idea of mutual support by land and sea, the time

cannot be far distant when we shall be practically unassailable.

“ In the case of a world-wide Power like the British Empire, our armies, without naval protection, would be chained to their own shores, unable to move to the point of danger or to co-operate in any way. Similarly, our fleets, without the support of sufficiently numerous and adequately trained defensive armies, would be fettered in their action by the want of naval bases and by the fears of a defenceless population, whilst, without strong and well-organised military forces available for expeditionary action, we should be powerless to protect our land frontiers, to co-operate with an allied Power, to carry a war into an enemy’s country, or to bring it to a decisive issue.”

The Chief of the General Staff then proceeded to elaborate the responsibilities of the Dominions.

“ It is not suggested that any one of the Dominions should be asked to undertake a definite obligation. Whatever is done must be done spontaneously and with due regard to the circumstances in which each one of them is situated. It is also realised that there are many

obstacles to be surmounted before any system of mutual support can be satisfactorily elaborated. War, however, can only be brought to a decisive and successful conclusion by the offensive action of military force, combined in our case with naval superiority ; and just as the British Government maintains such military force as its resources permit ready and able to proceed, in the furtherance of Imperial aims and interests, to any part of the world, so also might the forces of the Dominions be organised in such a way that their Governments would be ready, when the necessity should arise, to co-operate with the Mother-country and with each other to such extent as might seem good to them, without hasty improvisation, but with speed and certainty.

“Under the existing Militia and Defence Acts of the various Dominions their Governments have no power to employ military forces outside their territories in furtherance of Imperial interests. Moreover, the forces raised overseas are maintained on a militia basis. They have been so raised and organised in order to provide economically for the local defence of young nations whose development would be retarded by the much higher cost of maintaining regular forces. Citizen

forces so constituted usually undertake responsibility for home defence only, but it is hoped that it may be within the power of the Self-governing Dominions so to organise their forces as not only to provide for local defence, but also to be in a position to share to the extent of their will and resources in the defence of the Empire as a whole.

“It is confidently anticipated that co-operation will be forthcoming from all parts of the Empire in time of need. But, in order to utilise these resources from overseas to the best advantage, it is urged that the arrangements for organising, training, and mobilising the troops of the Oversea Dominions, while primarily directed to local defence, should also include the possibility of the employment of a portion of such troops in a wider sphere.

“The General Staff are well aware that in discussing the question of co-operation they are treading upon difficult and even delicate ground. They feel sure, however, that nothing but good can result from a clear statement . . . of the position of the Mother-country which, being responsible for the defence of the Empire, is faced with a problem of great complexity. Within the limits of her financial capacity she has, whilst keeping command of the sea, to main-

tain a citizen force for home defence; she has to provide an expeditionary force ready to proceed oversea at a moment's notice and capable of meeting a highly trained enemy; finally, she has to garrison India, most of the naval bases, and other Dependencies with professional troops both in peace and war. The Dominions are, at any rate, free from this third obligation, and such freedom simplifies for them the military task of rendering assistance to any part of the Empire which may require it. Free from the administrative difficulties which are inseparable from the work of providing reliefs and drafts of trained men for Indian and Colonial service, and from the financial burden which this implies, their task is reduced to one of so adjusting their organisation for home defence as to admit of the dispatch, without delay and without dislocation, of whatever forces they may be prepared to send to the aid of the Mother-country or of any other portion of the Empire.

“ The necessity for early consideration of this great question of Imperial military policy is increased by the fact that, in proportion as danger threatens the heart of the Empire and compels the Mother-country to concentrate her naval and military forces, the immediate

responsibility for the safety of the out-lying portions of the Empire must tend to be delegated to her daughter nations, whose possession of alternative lines of communication might enable them to send prompt and efficient aid to some threatened point or to reinforce or relieve the regular forces of the Mother-country.

“ For instance, Australia and New Zealand are so situated that they might be able to send troops to reinforce India, or the garrisons of defended ports in Asiatic waters, at a time when it would be unsafe to dispatch them from the United Kingdom by way of the Mediterranean. Similarly, a United South Africa might be able to raise a force not merely sufficient for home defence, but capable of giving effective assistance in the solution of any military problems which might arise upon the African Continent. Canada is in the best position, perhaps, to render aid promptly should trouble arise nearer home, or to reinforce Australia.

“ As time goes on and the Empire gathers strength, it will no doubt be possible to define more clearly the military responsibilities and spheres of activity which should be undertaken by each of its component parts, but the foundations of a sound system of Im-

perial organisation must be laid as a preliminary to the development of such an ideal.

“The value of the assistance which can thus be afforded to the Empire by the troops of our Oversea Dominions depends to a great extent upon the actual fighting efficiency of the troops at the moment when their services are required. Except in a purely defensive rôle, it would not be prudent, at the commencement of a great war, to employ a large proportion of troops raised upon a non-permanent basis against a highly trained and well-disciplined enemy.

“We have in the British Empire a large number of armed men, but they have been raised under varying conditions of service, their standards of efficiency differ widely, and some of them are imperfectly organised for the work which they may be called upon to perform.”

Having made these remarks on the general military defence of the Empire, Sir William Nicholson proceeded to submit proposals for the organisation, training, and administration of the forces of the Oversea Dominions so that they might form part of an Imperial Army. This ideal, in his opinion, involved

that the general methods of organisation should be identical, so that whenever officers and men are concentrated together into a unit, they will be capable of forming an effective part of the forces in the field. This involved, he added, a common system (1) of organisation of units and formations ; (2) of drill and training ; (3) of staff and administrative duties ; (4) of maintenance with personnel, supplies, and equipment. Sir William Nicholson directed attention to the want of homogeneity at present existing in the military organisations of the Dominions, and he remarked :

“ If the Dominions wish to have the power of affording prompt and effective help in the defence of the Empire, their military forces should be organised and trained in peace on a standard system, so that, when the necessity arises, complete units and formations may be available for combined action overseas, as part of a homogeneous Imperial Army.

“ The first step towards rendering such an Imperial Army effective for combined action in war is the adoption of Imperial War Establishments—*i.e.* tables showing in detail the numbers of personnel, animals, guns and vehicles, and the scales of ammunition, tools and

explosives, and supplies, with which the various formations and units composing an army take the field on mobilisation. These might be based on Home War Establishments, but should contain different scales for transport, supply, etc., to suit campaigns in different countries."

It was realised by the military authorities of the United Kingdom as soon as they approached this complicated problem of military co-operation that the foundation of any satisfactory system of military defence must be an Imperial General Staff. The principle underlying the creation of this body was at once accepted by the Oversea Dominions. In this connection Sir William Nicholson remarked :

" It will be noticed that education is the keynote of both the proposals—not only that higher education at a Staff College which is essential if the Imperial General Staff is to be composed of a body of officers trained to *think alike* on all matters of principle, but the preliminary education, by which officers can be so grounded and prepared as to be able to profit by the Staff College training when their time comes to be selected to go through the course at

Camberley or Quetta, or, in the future, at the local Staff Colleges.

“ The necessity for both preparatory and higher education is so apparent that its importance need not be further insisted upon, but the manner in which it should be conducted is just one of those essential details which requires the closest attention. It is suggested that the Home authorities may be able to assist the Oversea Dominions in this connection by the loan of qualified officers, should their Governments—as in the case of Canada—require help in the staffing of their educational establishments until they possess sufficient qualified instructors of their own.

“ Intimately connected with the subject of the loan of officers from the Home Regular Forces to the Oversea Dominions is the question of the temporary interchange between officers for General Staff duties in different parts of the Empire.

“ It is a question which needs consideration from the following points of view :

“ 1. The fitness of the officers proposed for exchange in respect of the duties they will be required to perform.

“ 2. The financial aspect.

“ 3. The most satisfactory way of commissioning officers in order to give them the necessary status and authority.

“ 4. The determining of the authority with whom shall rest the proposals for the interchanges.”

At the Conference in 1909 Sir William Nicholson and the officers associated with him laid down general principles which the experience of the Great War has tended to emphasise. The Dominions exhibited a degree of patriotism in responding to the urgent call of the moment which far exceeded the most sanguine anticipations of those who had the completest faith in the unity of sentiment, which runs like a golden thread through the whole Imperial structure. Canada, Australia, and New Zealand immediately placed considerable contingents at the disposal of the Mother-country ; and South Africa, with danger threatening her at home, released the regiments of the Regular Army which had hitherto formed the local garrisons. Within a short period of the opening of war, there was no single Self-governing Dominion of the British Empire dependent for its defence upon the Regular Army, but each relied upon the strength of the British Fleet. The War thus exhibited the essential unity of the seas; and particularly when from each Dominion hastily raised troops left for the European battlefields.

The world was surprised by the spirit exhibited by these free oversea communities. It was realised that Germany had at last welded the British Empire together, whereas she had thought to tear it asunder. But splendid as was the higher patriotism exhibited by the Dominions, and magnificent as were the colonial recruits who volunteered for oversea service, the contingents were not ready for many weeks to confront the enemy because they had not been adequately trained. It would have been little short of murder to send them to face the finest soldiers of the world without proper preparation. There was also lacking, to some extent, unity of military principle between them and the Regular Army of the Mother-country and the "Kitchener Armies," and this defect could only be remedied after considerable delay.

The Great War has shown the unrivalled material which the Empire possesses; all that is necessary is training in peace so as to enable the British peoples to share, to the extent of their will and resources, in the defence of the Empire as a whole. It is apparent that the solution of the military problem will run on lines not dissimilar from that of the naval problem. But there is one

difference. The local naval needs are comparatively small, the security of every Dominion resting, in the main, on the general supremacy of the Empire in all the seas ; the local military needs are greater than the necessity for providing a great expeditionary force for the Empire, if only because military force for overseas can be improvised whereas naval force cannot. The closest scrutiny of the military problem reveals that, without retarding their economic development, the Dominions can provide large forces on a militia basis for home defence. The Great War will unquestionably give a great impetus to this movement, and in time the oversea portions of the self-governing Empire will possess an immense reservoir of more or less trained men. If the Dominions rise to their sense of responsibility and privileges, then each of them will, in addition, form a more permanent and highly trained personnel which can be dispatched oversea at the shortest notice and be employed in pursuit of any common Imperial purpose. This force will form the nucleus round which the individual Governments will organise for any great effort such as may arise in the future as it arose in August 1914.

The size of this nucleus will depend in

each case on local conditions. It is impossible to state any general principle applicable to each Dominion. Action must be the result of consultation with the Imperial General Staff developed on the lines indicated by Field-Marshal Sir William Nicholson. By similar means the training and equipment of such expeditionary units will be carried out. Nothing can be done except by the free will of the Dominions, and it is apparent that, however willing they may be to co-operate, their main pre-occupation for some years to come must be the preparation of forces adequate for the purposes of home defence.

In the military sphere "charity begins at home"; in the naval sphere, where almost everything depends on the general, rather than local, supremacy, that principle spells overwhelming defeat, since the territorial and commercial interests of the British peoples and their ability to combine their land forces for a common end depend on the ability to win and retain the command not of one but of every sea, and this again depends on the recognition of the principle that all the seas are one.

## SECTION II

### *COMMERCE*

“ Whosoever commands the sea commands the trade ;  
whosoever commands the trade of the world commands the  
riches of the world, and consequently the world itself.”

SIR WALTER RALEIGH.



## CHAPTER V

### UNDER TEST OF WAR

“We invite the statesmen of Great Britain to study with us the real problem of Imperial existence.”

SIR ROBERT BORDEN, Prime Minister of Canada.

THE present war has tried as with fire economic theories which professors and politicians have through several decades deduced from their observation of the currents of British trade. Some of these theories have been badly battered. Especially has what Sir Robert Borden calls “the real problem of Imperial existence” been carried out of the realm of speculation into that of fact, and we begin to see the outlines of a new economic solidarity between the States of the Empire.

It was the confident expectation of most German authorities, professorial and political, that the first suggestion of European hostilities involving England would bring chaos to the internal relations of our Empire. Colonial empires were in any case

more fragile and less enduring than continental empires, and England certainly was neither strong enough nor worthy enough to hold the empire which chance, not merit, had brought to her. How, it was asked, could the Dominions hope to continue to attract the British capital upon which their development and even their present existence so largely depended, when England was deeply involved in financing a great war? The inevitable fall of British credit would mean also the financial starvation of the Dominions and the severance of the slender ties of mutual interest binding the scattered States of the British Empire with England.

And as with finance so with trade. Enemy cruisers, submarines, and aircraft were to make British trade impossible upon the Atlantic and drive Canada into the arms of the United States. Military authorities like the late Lord Wolseley gave the weight of their support to the anticipation of an immediate blockade of the Suez Canal, possibly by a convenient "accident" to a passing steamer, with a consequent isolation of India, Australia, and New Zealand from the United Kingdom. The isolation was to be completed by the cutting of cables in

the shallow waters of the Mediterranean and other connecting seas. Thus severed from the heart of British power, the outlying parts of the British realm were to fall apart ; India, Egypt, and South Africa were rejoicingly to throw off the yoke, and the Empire, finally dismembered, to be put at the disposal of a triumphant enemy.

Treitschke weighed the British Empire in the balances and found it "over-rich and over-satiated," vulnerable at a hundred points. "In a century of national states and big national armies such a cosmopolitan commercial Power can no longer continue to endure." South Africa Treitschke allotted to Germany, apparently because it ought, in the opinion of the German theorist, to belong to Holland ; and Bernhardi complacently saw "sufficiently inflammable material" in India and Egypt as well as in South Africa.

Another eminent German writer, Dr. Ostwald,<sup>1</sup> visualised the certain fate awaiting us in the hour of Armageddon. He saw Germany enthroned in Central Europe with the other nations grouped around her. She

<sup>1</sup> Quoted by Principal Peterson, of McGill University, Montreal, in *The War through Canadian Eyes*. (Oxford University Press.)

would be the mistress of "the universal Empire of ethics," and as a counterpoise on the American continent stood the United States, with Canada to the north and the Latin republics to the south leaning up against her, as it were, in deferential pose. "I assume," said the professor, "that the English dominion will suffer a downfall similar to that which I have predicted for Russia, and that in these circumstances Canada would join the United States, the expanded republic assuming a certain leadership with reference to the South American republics." Thus would be destroyed "the source from which for two or three centuries all European strifes have been nourished and intensified, namely, the English policy of world dominion."

Upon the birthday of the German Emperor on January 27, 1915, the Press Department of the German Military Government at Lodz sought to hearten the troops with a picture of a vast German African Empire. The "Kaiser newspaper of the Eastern Army," as quoted by the *Vorwärts*, said :

"A victorious war will enable us, by the seizure of the Belgian and French Congo and the Portuguese colonies, to

create a German colonial Empire such as our fathers, who used to ridicule our first colonial beginnings, could never have conceived. Between Africa there will stretch the endless girdle of our gigantic colossal possessions from the Indian Ocean to the Central African lakes and down the Congo to the Atlantic."

This was the expectation of our enemies and the half-expressed fear of many of our own household. How far has it been fulfilled?

Participation in the greatest conflict of the ages has left the economic relations of the States of the British Empire almost unruffled, strengthened indeed, rather than weakened. Scattered though they are all over the globe, north, south, east, and west, and subject to all manner of hampering local influences because of their particular relationship with those who have become the King's enemies, the territories of the peoples of the British Empire have yet escaped severe economic disturbances which have afflicted the Empires of Germany, Austria-Hungary, France, and Russia. More than that, by reason of their partnership with the United Kingdom, such British Dominions

as Canada and Australia, although active participants in the war, have suffered far fewer of its economic inconveniences than the United States and the States of South America.

The measure of the self-sufficiency of the Empire has been the measure of its immunity.

Lord Rosebery in one of his happily inspired moments likened the British Empire to the "certain vessel as it had been a great sheet" which Peter in his vision saw let down from heaven to earth. "Knit at the four corners," it contained what the heart of hungry man most coveted—"all manner of four-footed beasts of the earth and wild beasts and creeping things and fowls of the air." Others have turned to the abundant days of Solomon in the brief period of Israel's prosperity for an adequate picture of the treasures of the heritage of the peoples of the King's dominions.

But, it has always been urged, the wealth of so scattered an Empire, however great it may be, and mutually advantageous in time of peace, can be no support when the world is at war. An England that cannot feed itself must then be in peril of starvation not less than the peril of death from thirst

which beset the water-surrounded Tantalus. War has tested that assumption and proved it false.

Our experience during the most critical months of the conflict justifies all that has been said of the beneficent influence of the ocean in the destinies of the British Empire. But for the seclusion which the ocean provided before the age of steam, the Colonies would have found it impossible to develop their autonomy and yet remain within the Empire ; now that the need of the Empire is concentration, the steamship and telegraph provide the web of intimate association. Lack of cohesion as an Empire is seen to be more apparent than real. Dispersed though we are in every quarter of the world, we are for the purposes of commerce almost as much "one of another" as are the several parts of Russia or the United States. Canada is to-day as near London in point of time as Edinburgh was a hundred years ago.

Mr. Leroy Beaulieu, in his book on the new Anglo-Saxon societies, says :

" The means of communication have become so rapid in our day that less than a month suffices to travel from one point to another of the British Empire, however distant. Longer was

assuredly needed to traverse the Empire of Rome eighteen centuries ago, and still longer is necessary to pass to-day from one extremity of the Russian Empire to the other. Does anyone aver that the necessity of crossing the sea to traverse the British possessions is a source of weakness to this immense dominion ? But is not the very ocean Britannic according to every good Briton when he justifies the maintenance of the strength of the British Fleet ? Far from separating them, the ocean is the tie which unites the scattered members. Great Britain is, in a sense, at home upon the highways of the deep which lead to her dependencies. She could prevent other States from communicating with their own, or, at least, could throw a thousand difficulties in their way. It is this which is the essential characteristic of the British Colonial Empire. Its metropolis is mistress of the seas ; the communication between its several parts is as assured under all circumstances as if they formed a continuous territory.”

War has tested these assumptions and proved their truth. Speaking at Montreal on December 12, 1914, Sir Wilfrid Laurier drew a picture of Canada’s ocean-bound commerce as it stood at the outbreak of war :

“ You had the harbour of Montreal full of ships loaded with the produce of the land ready to take to the sea still remaining moored to the wharves because they were afraid to proceed as they were liable to seizure by the enemy. And they did not take to the sea until the ocean had been swept by the British Navy and the Navy was ready to escort them.”

General Smuts, in his Budget speech in the South African House of Assembly on March 18, 1915, also spoke of the comparative security of South African trade under war conditions. At the beginning of the war seaborne traffic to the Rand fell off 39 per cent., but it had since improved. Never before had it been brought home to South Africans in so full a form what protection the mighty machine of the British Navy was. “ Those who in South Africa doubted the wisdom of co-operating with the Imperial authorities in prosecuting the war might well ask themselves where their exports and imports, their wool and maize and their whole traffic would have been but for this protection.”

The volume of trade that, despite the war, has continued to pass between the States

of the Empire bears remarkable witness to the complementary character of the resources of the Empire when safeguarded by British sea-power. It also suggests a powerful argument for increasing a commercial association which is immune from outside interference and by means of which, even under the stress of a world in arms, the power of the Empire is immeasurably strengthened.

Consider, first, the extent to which the Dominions have been able, in war-time, to feed the United Kingdom with essential food and raw materials.

#### BRITISH IMPORTS (IN MILLION £) IN WAR-TIME

From	Twelve Months ended June 30, 1913.	Twelve Months ended June 30, 1914.	Twelve Months ended June 30, 1915.
Canada . . .	27·3	29·4	36·0
Australia . . .	35·8	39·6	44·3
New Zealand . . .	20·8	21·9	27·1
South Africa . . .	12·1	12·6	10·6
British India . . .	51·5	46·6	50·0
Rest of Empire . . .	65·2	62·9	72·7
<b>Total from Empire</b>	<b>212·7</b>	<b>213·0</b>	<b>241·3</b>

Notwithstanding war conditions, the four British Dominions have together been able to sell in the United Kingdom considerably more in value of their produce than in the

record year of peace 1913, and even if allowance be made for the enhanced prices of many commodities, the volume of these war imports was most remarkable—despite such hampering factors as the comparative failure of the Australian wheat crop and the preoccupation of South Africa in local conflicts.

A comparison with other countries indicates the superlative value of Empire trade in times of difficulty. Canada has in normal years been dependent upon Germany and Austria-Hungary as export markets to the extent of less than £1,000,000 out of nearly £90,000,000, or only about 1 per cent. of her whole export trade. Out of a total export trade of £22,500,000, New Zealand sent to these enemy countries only £340,000, or about 1½ per cent. In the case of Australia, the proportion was £7,400,000 out of £73,000,000, or 10 per cent.

War therefore created only a minor disturbance in the export trade of the Dominions.

But the case of the United States was vastly different. The outbreak of war at once jeopardised an export trade with Germany and Austria-Hungary of some £80,000,000 in value.

Consider also of what these Imperial

imports consist and how very far they go in the range of their variety to cover the needs of our homes and factories alike.

During the first year of the war Canada, Australia, and British India together sent us 48,000,000 cwts. of wheat and wheat-flour, or more than two-fifths our total imports of wheat and wheat-flour in that period. These figures are the more remarkable in that they are exclusive of Canada's great gift of flour, which is not recorded in the trade returns.

Take a wider survey and a new appreciation is obtained of our Empire wealth and the possibilities of a far greater interdependence than we have yet evolved. Despite all the hindrances of a time of war, the United Kingdom has continued to receive from other parts of the Empire an astonishing variety of foodstuffs and raw materials for our manufactures :

*From Canada.*—Wheat and wheat-flour, barley, oats and oatmeal, cheese, bacon and hams, lard, fish, apples, linseed, skins and furs, timber and leather.

*From Australia.*—Wheat and wheat-flour, butter, beef, mutton, rabbits,

tallow, apples, wine, hides and skins, gold and silver, copra, copper, lead and tin, wool.

*From New Zealand.*—Butter, cheese, beef, mutton, tallow, gum, hemp, skins and furs, wool.

*From South Africa.*—Wool, hides and skins, oil, copper.

*From India.*—Wheat, barley, rice, tea, cotton, gums, hemp, jute, manganese, fish-oil, seeds, hides and skins, timber, wool.

*From Straits Settlements.*—Rubber, gutta-percha, tin.

*From Ceylon.*—Tea, rubber.

*From Nigeria.*—Palm-oil, nuts and kernels, cotton.

*From West Indies.*—Sugar, rum, bananas, cotton.

*From Egypt.*—Cotton, cotton seed.

Turning to the British export side of the Empire trade account, we see that whereas the war instantly cut off trade in British goods with Germany and Austria-Hungary, to the annual value of £45,000,000, British trade with the Dominions and India remained in substantial volume.

One hundred and fifty-one million pounds'

worth of goods, mostly manufactures, in twelve months means an average export of nearly £3,000,000 a week, of which about £1,500,000 per week represents wages, or work for a million wage-earners of 30s. a week. Assuming that every wage-earner has an average of two dependants, we see that 3,000,000 persons, or four Liverpools, are sustained during this war-time by the purchases of the outer Empire.

BRITISH EXPORTS (IN MILLION £) IN WAR-TIME

To	Twelve Months ended June 30, 1913.	Twelve Months ended June 30, 1914.	Twelve Months ended June 30, 1915.
Canada . . .	25·2	21·4	14·2
Australia . . .	36·1	35·0	29·4
New Zealand . . .	11·4	10·1	9·0
South Africa . . .	21·9	21·8	17·3
British India . . .	66·0	71·0	50·3
Rest of Empire . . .	41·4	45·0	30·8
 Total to Empire . . .	202·0	204·3	151·0

It is a commonplace of discussions on the fiscal question that where our foreign customers spend shillings in the purchase of British goods, our customers in the Dominions spend pounds. New Zealand in 1918 spent nearly £10 per head upon British goods; Germany less than 12s. 6d. The expenditure per head in Australia was £7,

in South Africa £3 10s., and in Canada nearly £3; while in the United States it was only 6s.

These are impressive figures at any time; it is doubly impressive to find that war, while destroying our trade in manufactures with so many foreign countries, leaves the immensely greater purchasing power of the Dominions almost intact.

In fact, reviewing the course of the trade of the Empire in this time of war, we realise afresh the prescience of Empire pioneers like Sir John Macdonald, who as far back as 1891 was saying:

“The Americans boast that such is the extent and diversity of their soil, climate, and products, that they are independent of the rest of the world. But they cannot compare with the British Empire in these respects. It is a world in itself.”<sup>1</sup>

How much better equipped would the British Empire be for its fight for life to-day had this conception permeated the policy of British statesmen. But their ears were stopped.

<sup>1</sup> Letter to Right Hon. W. H. Smith, M.P., Leader of the British House of Commons, April 8, 1891 (Parkin's *Sir John Macdonald*, p. 343).

England is the wellspring of Dominion development. Upon the savings of those who live in the British Isles the Dominions overseas depend for the means to open up new territories and bring an ordered municipal and industrial life to the new communities which possess them. It is estimated that something like £1,800,000,000 of British money is thus invested in British Dominions and possessions abroad.

There is an inner Imperial meaning in this rôle of England as the banker and financial agent of British lands overseas. The life-giving stream of capital passes through a thousand arteries to every limb of the Imperial body. "We call them loans from England to Greater Britain, and are sometimes alarmed at the great debts the Colonies have piled up during the last fifty years. And yet this is the branch of Imperial trade of which we have, perhaps, the best right to be proud ; for debts such as these are not like the old-world national debts—the outcome of destructive wars—they have left the Colonies something tangible and solid to show for them, thousands of miles of railways, deepened harbours, roads and bridges, waterworks, Government offices, courts of justice, schools,

libraries, universities, museums, lighthouses, and innumerable other public, municipal, and private works. In the words of a colonial statesman, 'They are a solid investment of capital applied to eminently reproductive purposes, yielding not only in most cases a substantial monetary return in the shape of interest actually earned, but yielding also, in a measure that cannot be expressed by figures, benefits of incomparable value to the Empire at large.'<sup>1</sup>

Did the outbreak of war snap these mutually advantageous relations, as was foretold by the pessimists among us? On the contrary, it became the occasion for creating a new financial intimacy.

For the first time in our generation the vital principle of the Family before the Foreigner was accepted by the British Treasury. We reverted in fact, under the pressure of war conditions, to the financial paternalism which marked the internal relations of the Empire in the days before the Dominions held their own purse-strings, before self-government had ended their direct dependence upon the credit of the Home Government.

<sup>1</sup> "The Maintenance of Empire," by J. L. Garvin (in *The Empire of the Century*, 1905).

With a political courage rare among modern statesmen, Mr. Lloyd George recognised that not political dogmas but the concrete facts of a difficult situation must decide the policy of Ministers. The Dominions had become essential partners with us in the war, and they must be given the full support of British credit in the time of common trial. To meet the special war expenditure of the Dominions the British Government made the following initial advances :

	£
Canada . . . .	12,000,000
Australia . . . .	18,000,000
New Zealand . . . .	5,250,000
South Africa . . . .	7,000,000
	<hr/>
	<b>£42,250,000</b>
	<hr/>

To meet the other urgent financial needs of the industrialism of the overseas communities, the Treasury rules governing new public issues in the London market were based upon the dual principles of Home and Empire Preference.

In order to conserve the financial resources of England for the purposes of war, it was necessary to impose a censorship on new capital issues, and by the Treasury rules

promulgated in January 1915, these issues were divided into three categories :

(1) *Home Issues*.—New capital issues in the United Kingdom only allowed if held to be in the national interest.

(2) *Dominion Issues*.—Issues from the Overseas Dominions allowed if urgent necessities or special circumstances are shown.

(3) *Foreign Issues*.—No issues sanctioned for undertakings outside the British Empire.

Under this preferential arrangement the States of New South Wales and Queensland were allowed to make public issues in London in the early part of 1915, and the result was expressive of the British investor's confidence in the stability of the Empire. They had the advantage of a conserved British market from which the foreign borrower was excluded.

The preferential arrangement was also brought into operation in the permission given in the same month to the land and mortgage companies of Canada to renew or replace debentures maturing in London. Thus the Canadian farmer in his efforts to increase the food-supplies of the Empire in view of possible future shortage is, through his mortgage company, given a privileged position in the London money market. It

is given to him because he is an Empire citizen, and it is denied to his rival in Argentina because he is not.

An incident on the far confines of the Empire will illustrate the far-reaching effect of this Imperial basis for war finance. The Government of British Columbia had, before the outbreak of war, entered into engagements for the opening up of a vast fertile tract by the construction of the Pacific Great Eastern Railway. It was of the first importance that the work should proceed, and the Premier, Sir Richard McBride, was able to convince the Dominion Government at Ottawa that a loan of six million dollars was in the best interests of the Empire even when at war. The arrangement with the Imperial Government permitted the loan to be made and the work to proceed. The moral and a contrast is well shown in the following comment :<sup>1</sup>

“ It all sounds very simple ; but in point of fact it is a remarkable instance of the complete understanding and unity that exists between the Mother-country and the Dominions.

“ While raising money for war purposes the Chancellor of the Exchequer

<sup>1</sup> *Financial News*, December 3, 1914.

has his mind upon the necessities of far-off colonies. It may be that the Chancellor has not had brought before his immediate consideration the requirements in connection with this particular railway, with that dockyard, nor with other municipal work, the details being left to their various departments ; but the necessary arrangements have been made between the Imperial Government and the Governments of the Dominions, and the minor operations of the vast British Empire are carried on as if there was no war in Europe.

“ How different is the position of the German colonies ! With all their preparations the best that the War Lords of Potsdam could do for the German colonies was to agree that their fate would be decided in Europe. Perhaps to some extent it may be said that the fate of the British Dominions has been decided in England ; but while in the German case the ‘ fate ’ was the hauling down of the German tricolour and the hoisting of the Union Jack, in the case of Greater Britain the ‘ fate ’ has been the supplying of money to carry on peaceful work as usual, in the preparation for the great times that will come when the war is over and peace reigns once more.”

This Empire preference in finance came into existence to meet the demands of the moment. It must leave its permanent mark upon inter-Imperial relations.

In the day-to-day business of the Empire, as in its finance, facts have proved more potent than theories.

For nine years proposals for a fiscal preference within the Empire have been hotly contested by British political parties. The predominating party believed quite sincerely that it would be the beginning of the end of the British Empire if England followed the example of each of the Dominions, not to speak of the United States and of France, and adopted in trade the maxim that charity begins at home and that the family is more than the foreigner. But war breaks down many of the maxims of peace, and before our armies had actually taken the field an Empire preference was established in British trade as well as in British finance.

The necessities of the case have indeed brought our Allies into this Empire preference for the purposes of the common cause, for at an early stage of the conflict an agreement was come to between the British, French, and Russian Governments mutually

binding the signatory Powers as to the sources from which they would purchase their war material—firstly, from the home countries of the Allies ; next, from the British Dominions and possessions ; and not until these resources had been used to the full were any supplies to be purchased from foreign countries.

Under this British administrative preference orders said to amount to £12,000,000 sterling were placed in Canada alone during the first six months of the war, and the wide range of articles purchased is a striking illustration of the development of the industrialism of the Dominions in recent years. We gather from Canadian sources the following list of some of these war-supplies drawn at the outset of the war from Canadian factories :

Ross rifles (first Canadian Government order for 30,000 new and 10,000 converted rifles) ;

Shrapnel shells (first British Government order, \$2,000,000 ; subsequent orders, \$3,000,000) ;

Ammunition and shell cases (first British Government order, \$2,000,000) ;

Shovels for trench work (first British Government order, 120,000

shovels; second order of the value of \$50,000);

Mess tins, picket poles and pegs (first British Government order, \$130,000);

Khaki clothing, blankets (first Canadian Government order, \$155,000; first French Government order, \$1,845,000);

Shirts (first British Government order, \$1,250,000);

Sweater coats (British Government order, \$900,000);

Socks (British Government order, \$900,000); mitts and belts, sheepskin coats.

Boots and shoes (British Government order, \$2,500,000; French Government order, \$1,000,000);

Harness and saddlery (Russian Government order, 10,000 sets; British Government order, \$2,500,000); and head halters (British Government order, 50,000);

Army buttons (British Government order 4,000,000).

According to a statement published at Ottawa on January 29, 1915, the following figures represented approximately the orders of the British War Office agents for Cana-

dian goods during the first six months of the war:

	Dollars
Textiles and woollens . . . . .	8,000,000
Boots and shoes . . . . .	9,500,000
Shrapnel shells and cases . . . . .	25,000,000
Remounts . . . . .	4,000,000
Harness and saddlery . . . . .	3,500,000
Rifles and ammunition . . . . .	2,000,000
Hardware of various kinds . . . . .	2,250,000
Tinned meats . . . . .	1,000,000
Canned goods . . . . .	900,000
Clothing . . . . .	8,000,000
Lumber . . . . .	1,000,000
Miscellaneous . . . . .	20,000,000
	<hr/>
	\$85,150,000
	<hr/>

Six months of war under the operation of this Empire administrative preference set going new Canadian industries for the building of submarines and making shrapnel shells. Before the war not a single shrapnel shell was made in Canada; in August 1915 General Bertram, Chairman of the Canadian Shell Committee, announced that \$152,000,000 worth were being made. A statement emanating from the Canadian Government shows that an order for 1,800,000 shells was distributed over a large number of firms, each of them taking in hand some

portion of the shell. All the materials used were Canadian products—the lead bullets, the cartridge cases, the brass fittings, and even the explosives.

At the newly established Vickers works at Montreal eight submarines were ordered by the British Government; and at the steel works at Longueuil on the St. Lawrence, established by another great English concern, the Armstrong-Whitworth Company, the units include the raw material and the crucible manufacturing departments, the rolling mill, the hammer department, and the machine shop.

“We want to give you the orders,” was the message delivered by a War Office representative to Canadian manufacturers, and he told them they were not half awake to the new Empire spirit of the great British spending departments.

“There can be no doubt,” he said, “that the War Office would prefer to place every possible order in Canada. There would be less possible difficulty about the delivery, for one thing, to say nothing of the Imperial sentiment behind the placing of the order within the Empire.”<sup>1</sup>

<sup>1</sup> *Canadian Gazette*, February 18, 1915.

“There is,” said a prominent Canadian Government official, “no limit to the willingness of the War Office to purchase in the Dominions under the Preference principle except alone the capacity of production in those Dominions. Where orders have gone to the United States, it is because Canadian industry could not compass them or make delivery within the necessary time.”

An incident related ten years ago by a leading timber merchant who was Vice-President of the Timber Trade Federation illustrates the change that is passing over the Government departments in this matter of Empire trading. The British Government required a very large quantity of decking for naval barracks. It had become a habit to use foreign pitch pine, and no tender for anything else would be looked at in official quarters, although British Columbian pine was admirably adapted for the purpose—it is indeed used for the United States Navy—and could be supplied at less cost. That was the old spirit. The new spirit is indicated in the action of the War Office in January last in removing, at the instance of the Canadian Government, the embargo hitherto imposed on the use of Canadian white pine or spruce in Army

tenders. Sir George Perley was able to convince the Imperial authorities that there is no better timber for the erection of Army huts and other like purposes than that from Canada, and Canadian timber is in consequence being used in place of Baltic.

When we come to deal with Empire policy after the war, we shall see something of the possibilities which are opened up by this new attitude of governing bodies generally towards Empire as distinct from foreign products. Fighting together for a common end, we are also learning to trade together. Effective co-operation in defence carries with it co-operation in commerce.

## CHAPTER VI

### PARTNERSHIP IN FREEDOM

“Our strength lies in getting into the closest possible touch with one another.”—MR. FISHER, Prime Minister of Australia.

IN the preceding chapter we have seen how the economic unity of the British Empire has been preserved and strengthened under war conditions, severe beyond all anticipations though these war conditions are, and defiant though they are of the predictions of most of the prophets of our own and other lands. But in order to grasp the meaning of this economic unity and also to reap its fruits in the shaping of policy, we must understand the tortuous and often difficult stages by which it has been reached.

In commerce as in policy we can never revert to the position in which we stood before the fateful August 4, 1914. The emergency measures we have already described must leave their mark on Empire

policy, so must the new level of British taxation. The normal English Budget of the future will be £400,000,000 a year instead of the old Budgets of £200,000,000, swollen though we thought those old Budgets to be. "My father chastised you with whips, but I will chastise you with scorpions." In adjusting both direct and indirect taxation to the new level, it will be impossible to avoid touching in vital ways the interests of Dominions which must for many years depend upon English borrowings and look to England to buy the produce of their lands. Again, whatever be the outcome of the present war, the commercial relations of the States of Europe with each other and with the British Empire must undergo profound modification. The Central European treaties of which Germany is the pivot come to an end in 1917; who can say what will be the conditions under which their renewal will be negotiated? and who can say what may be the effect upon the internal structure of the British Empire of the enlarged relationship which is certain to develop directly between foreign countries and dominions such as Canada and Australia?

The conditions in which these new factors

will operate differ greatly from those with which our grandparents had to deal. The statesmen and people of England have been so busy in recent years remodelling the political and social organisation at home that comparatively little attention has been given to the vital changes which have been in progress elsewhere within the Empire. Having given a Colony self-government, the governing Englishman is apt to think that he is no further concerned. The fact is far otherwise. Autonomy has many and ever-widening consequences. It may be and has been used in a way that profoundly affects the relations of the new Dominions with England, fiscal and political. Other parts of the Empire are also brought in, and, what may be even more embarrassing, foreign countries with their special treaty engagements with England are so involved as to change the basis of the whole Empire fabric.

For example, the Great War brought striking reminder of the new place which the Dominions occupy in the world by reason of their industrial achievements. They equipped their own contingents for war in Europe, and they also, as we have seen, tendered invaluable help in providing

munitions of war and supplies for the British and Allied armies. The Empire problem as it will exist after the war cannot be viewed in its right perspective unless the industrial intentions of the Dominions are frankly recognised.

The Canadian census shows that the capital employed in industrial establishments now exceeds £250,000,000, and has nearly trebled in the last ten years, while the product was £240,000,000 in value in the year 1910. In the case of Australia, the industrial output of 1913 was of the value of £162,000,000, a rise of nearly 75 per cent. since 1907. Even New Zealand, with its population of a million only, has an industrial output of £32,000,000.

In discussing the working of the British administrative preference in war-time (pp. 194 *et seq.*) some idea has been given of the wide range of the newer industrialism of Canada. Australia has not a United States upon her borders to attract new industrial capital and enterprise for the exploitation of her resources, but her manufacturing activities range over the following nineteen classes :

Treating Raw Materials.	Stone, Clay, Glass, etc.
Oils and Fat, etc.	Working in Wood.

Metal Works, Machinery, etc.	Furniture, Bedding, etc.
Food and Drink, etc.	Drugs and Chemicals, etc.
Clothing and Textile Fabrics.	Surgical and other Scientific Instruments.
Books, Paper, Printing, etc.	Timepieces, Jewellery, and Plated Ware.
Musical Instruments, etc.	Heat, Light, and Power.
Arms and Explosives. Vehicles, Saddlery, Harness, etc.	Leatherware.
Ship and Boat Building and Repairing.	Minor Wares.

The war demand of the moment will of course pass away; but the enlarged production brought about by the war and under the operation of the British administrative preference, to which we have referred in the preceding chapter, will have a permanently stimulating effect upon industrialism in the Dominions.

Of course the vast natural resources of such lands as Canada, Australia, New Zealand, and South Africa will keep them mainly agricultural for very many years to come. So small a percentage of the possible agricul-

tural land has as yet been occupied—in the case of Western Canada less than one-fifth—that everywhere is to be found acceptance of the fundamental belief of Dean Swift that “whoever can make two ears of corn or blades of grass grow where only one grew before does more essential service to the country than the whole race of politicians put together.” But nevertheless the industrialism of the Dominions will continue to grow, and our experience in this war may be cited to prove that it is well for the Empire as a whole that it should. Instead of being a drag, the Dominions have been an essential support, in material as well as in men. Following the lines of least resistance, the development of the industrialism of the Dominions will still leave them the best markets in the world for British manufactures, and it is always to be remembered that the British trader sells most in the industrial and not the agricultural centres of the Dominions, largely because of the greater ease of trading in the denser markets.

This passion for industrialism on the part of the Dominions has long been a vexation to many Englishmen. To their way of thinking, and sometimes of saying, the interests of both England and the Empire as a whole

would best be served by a restriction of the activities of the Dominions to the production of food and raw materials. The unbiassed student of Mr. Chamberlain's words and acts will acquit him of the silly charge of wishing to set up a "schedule of forbidden colonial industries"—he had too deep a sympathy with the aspirations of overseas peoples and too keen an understanding of the foundations of our Empire life to propose to stereotype their progress. But there have been many fervent, if seldom spoken, English wishes that the Dominions would be content with the simple life and leave the complications of industrialism to a more mature England. In no other way, it was thought, could there be a real and abiding community of trade interest throughout the Empire. It was more than galling to see Dominion after Dominion rejecting with contumely the view that its true and only development is along pastoral and not manufacturing lines, that it should satisfy its ambitions by confining its energies to the producing of the wheat and meat and dairy produce to be sold in exchange for the cottons and woollens and iron and steel goods of Lancashire, Yorkshire, and the Clyde.

Some English politicians have understood

so little of the new forces which move younger British States overseas and which are surely moulding the life of the whole Empire that they have sighed over the missed opportunities of early Victorian days. Why were the Colonies not shackled while England had the power? How compact and secure might not the British Empire be to-day had we achieved Disraeli's dream of "a great policy of Imperial consolidation"! The method was so simple: (1) an Imperial tariff gripping every one of the King's Dominions in its steel embrace; (2) English enjoyment of unappropriated Colonial lands; (3) an Imperial military code, defining how and when England should defend the Colonies and the Colonies be called upon to defend England.

This was in essence the conception of Roman Imperialism. What good were Colonies if they did not yield commercial profit? It was an adaptation of the principles of Colbert—the development of territories under British rule must be made to react on the prosperity of British industry. For theorists of this class the revolt of the American Colonies had no moral.

The truth, of course, is that cast-iron theories conceived in the early days of

Empire life became inapplicable to Colonial commerce under the widening influences of Colonial self-government. Yet they survived in every successive British protest against the growth of Colonial industrialism. Their decisive point was reached in the memorial of the Chamber of Commerce of Sheffield as presented to the Duke of Newcastle at the Colonial Office in August 1859. Canada was revising her tariff in the interests of Canadian production, and incidentally put new duties upon imported manufactures. The Sheffield memorialists and the England for whom the Colonial Secretary spoke asked in indignant tones, how dare a new Colony thus run "directly contrary to the policy solemnly adopted by the Mother-country"? "It cannot," said the Sheffield memorialists—

"be regarded as less than indecent and a reproach, that while for fifteen years the Government, the greatest statesmen, and the press of this country have been not only advocating but practising the principle of free trade, the Government of one of Great Britain's most important Colonies should have been advocating monopoly and protection. Under the artificial stimulus

of this system extensive and numerous hardware manufacturers have sprung up both in Canada East and West ; and the adoption of increasing duties has been the signal for more to be commenced.”

That was the voice of industrial England, and speaking for political England the Duke of Newcastle read the young community overseas a paternal lesson in sound economics.

Canada’s reply must be carefully weighed if one would understand the new Imperialism of 1915. It came from the pen of Sir Alexander Galt, then Finance Minister of Canada, under date October 25, 1859, and opened with a dignified rebuke of the Colonial Secretary :

“ The representations upon which His Grace appears to have formed his opinions are those of a provincial town in England, professedly actuated by selfish motives ; and it may fairly be claimed for Canada that the deliberate acts of the Legislature, representing nearly three millions of people, should not have been condemned by the Imperial Government on such authority until the fullest opportunity of explanation had been afforded.”

Then followed this epoch-making assertion of Colonial fiscal freedom :

“ The Government of Canada, acting for its Legislature and people, cannot, through those feelings of deference which they owe to the Imperial authorities, in any measure waive or diminish the right of the people of Canada to decide for themselves both as to the mode and extent to which taxation shall be imposed. The Provincial Ministry are at all times ready to afford explanations in regard to acts of the Legislature to which they are party ; but subject to their duty and allegiance to Her Majesty, their responsibility in all general questions of policy must be to the Provincial Parliament, by whose confidence they administer the affairs of the country. And in the imposition of taxation it is so plainly necessary that the administration and the people be in accord, that the former cannot admit responsibility or require approval beyond that of the local Legislature. Self-government would be utterly annihilated if the views of the Imperial Government were to be preferred to those of the people of Canada. It is, therefore, the duty of the present Government distinctly to affirm the right of the Canadian Legislature to adjust the taxation of the

people in the way they deem best—even if it should unfortunately happen to meet with the disapproval of the Imperial Ministry. Her Majesty cannot be advised to disallow such Acts, unless her advisers are prepared to assume the administration of the affairs of the Colony, irrespective of the views of its inhabitants."

• The acquiescence of the Home Government in Canada's fiscal freedom was inevitable, and thenceforward the attitude of British administration towards the Colonies may be summed up in the words, " Go as you please, and leave us as soon as you can." They have gone pretty much as they pleased, but in so doing their way lay nearer to and not farther from ours. What the professors and public men of England did not realise was that in taking measures for their own industrial development the Dominions were paving the way for a commercial relationship with England far more fruitful than anything that could be evolved by an Imperialism guided from Downing Street and Sheffield and dictated alone by the interests of industrial England.

Another new factor of great importance in considering the conditions to be faced after

the war is the freedom of action of the Dominions in their relations with foreign countries ; they have come to exercise an individual if not independent fiscal status which was quite unknown to our grandparents ; they would indeed have conceived it to be impossible.

The war found England without any commercial treaty with Germany ; we shall have something to say about this significant fact later on. But the last commercial treaty concluded between England and Germany, namely that made in 1865 and terminated in 1898, included the British Dominions as a matter of course and without a semblance of by-your-leave. They were not consulted ; and in their absence the British negotiators bound them to extend to Germany whatever tariff concessions they made to their own Mother-country. That treaty has come to an end by denunciation, and thus after the war both England and the British Dominions will enter into any negotiations untrammelled by the old hampering treaty obligations.

This new status was not won without a long and severe struggle. British Ministers thought it bad enough that the Dominions should manage their own tariffs as they

pleased ; it was even more annoying and dangerous that they should seek to control their own trade negotiations with foreign Powers. The old paternalism of Downing Street did not satisfy them. Sir Wilfrid Laurier and other Dominion statesmen have been apt to lay stress upon the so-called supineness of the British Foreign Office when Colonial interests were at stake. A closer examination of the records of British diplomacy than has been open to them would probably modify that view. But it remains true that for a whole generation the statesmen of the Dominions pressed in vain for an adaptation to the new Empire conditions of a treaty-making system which had been framed by British Ministers primarily if not entirely to meet the needs of the United Kingdom. The victory has not yet been completely won.

As far back as the year 1879 we find the Canadian Government pressing for, and the British Government refusing, the appointment of Canadian Commissioners to take part in the negotiation of foreign treaties in which Canada was interested. The Colonial Secretary (Sir Michael Hicks-Beach) told the Canadian Government that such a course "was not thought desirable."

But the denial was shortlived. In 1884 the persistence of Sir Charles Tupper, then High Commissioner for Canada, was rewarded, and he obtained for the Dominions the right to negotiate commercial treaties with foreign countries. The immediate purpose was a treaty of commerce between Spain and Canada, and the letter of instructions sent by the Foreign Office to the British Embassy at Madrid contained the following passage :<sup>1</sup>

“ If the Spanish Government are favourably disposed, the full power for these negotiations will be given to Sir Robert Morier and Sir Charles Tupper jointly. The actual negotiations would probably be conducted by Sir Charles Tupper, but the Convention, if concluded, must be signed by both plenipotentiaries.”

Note the phrase “ the actual negotiation would probably be conducted by Sir Charles Tupper,” as the spokesman of Canada. It was the beginning of the break-up of the old Empire treaty system.

This new Canadian liberty of action in relation with foreign Powers was soon to be

<sup>1</sup> *Recollections of Sixty Years*, by Sir Charles Tupper, Bart., pp. 174 *et seq.*

used again in the attempt to remove the constantly recurring diplomatic difficulties with the United States. The old hope of the political absorption of Canada by the Republic had become so attenuated under the influence of Canada's vigorous nationalism that in 1887 we find the American Secretary of State, the Hon. T. F. Bayard, meeting the Canadian Minister, who had come to Washington to discuss the fishery trouble, with a declaration of the utmost frankness. "The confederation of Canada and the construction of the Canadian Pacific Railway have," he said, "brought us face to face with a nation, and we may as well discuss public questions from that point of view."

This declaration led up to the first recognition on the part of a foreign Government of a British Dominion's "assumption of attributes of autonomous and separate sovereignty."

The following letter is from Mr. Bayard to Sir Charles Tupper, then a member of the Canadian Ministry at Ottawa:

"WASHINGTON, D.C.,  
"May 31, 1887.

"MY DEAR SIR CHARLES,—The delay in writing you has been unavoidable.

In the very short interview afforded by your visit I referred to the embarrassment arising out of the gradual practical emancipation of Canada from the control of the Mother-country and the consequent assumption by that community of attributes of autonomous and separate sovereignty, not, however, distinct from the Empire of Great Britain. The awkwardness of this imperfectly developed sovereignty is felt most strongly by the United States, which cannot have formal relations with Canada, except directly and as a Colonial dependency of the British Crown, and nothing could better illustrate the embarrassment arising from this amorphous condition of things than by the volumes of correspondence published severally this year relating to the fisheries by the United States, Great Britain, and the Government of the Dominion. The time lost in this circumlocution, although often most regrettable, was the least part of the difficulty, and the indirectness of appeal and reply was the most serious feature, ending, as it did, very unsatisfactorily. It is evident that the commercial intercourse between the inhabitants of Canada and those of the United States has grown into too vast proportions to be exposed much longer to this wordy

triangular duel, and more direct and responsible methods should be resorted to. . . . The roundabout manner in which the correspondence on the fisheries has been necessarily (perhaps) conducted, has brought us into the new fishing season, and the period of possible friction is at hand, and this admonishes us that prompt action is needed. . . . Awaiting your reply, I am, very truly yours,

“T. F. BAYARD.”

In his reply Sir Charles Tupper would not admit that there had been any disposition on the part of the British Government to postpone Canadian interests to its own, or to retard by needless delay a settlement desired by and advantageous to the people of Canada and of the United States, but the suggestion of “direct personal communications” was seized upon by Canadian Ministers in order to “save valuable time and render each side better able to comprehend the needs and the position of the other.”

Canadian history records how effectively this new freedom of negotiation has worked for the removal of irritating and often dangerous Anglo-American disputes. Canada’s emancipation has aided and not hindered Empire peace and unity.

And it is now to become a permanent feature of Anglo-American relationship. By the treaty signed at Washington on September 15, 1914, for the establishment of a Permanent International Commission for the investigation of all disputes between ourselves and the United States, special provision is made for the direct participation of the British Dominions. The clause in Article 3 dealing with this point says :

“ In the event of its appearing to His Majesty’s Government that the British interests affected by the dispute to be investigated are not mainly those of the United Kingdom, but are mainly those of some one or more of the Self-governing Dominions, namely, the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa, and Newfoundland, His Majesty’s Government shall be at liberty to substitute as the member chosen by them to serve on the International Commission for such investigation and report another person selected from a list of persons to be named, one for each of the Self-governing Dominions, but only one shall act—namely, that one who represents the Dominion immediately interested.”

Thus there has come about a steady

shifting from the extreme view that treaties framed by British Ministers primarily for the benefit of the United Kingdom should apply automatically to the Self-governing Dominions. In its place there has been substituted the conception that British treaties in general should only apply to the Dominions when those Dominions so desired, and that in the case of treaties which directly and primarily concerned a Dominion their negotiation should be carried out directly by the Ministers of that Dominion acting through and nominally in conjunction with the Ministers of the United Kingdom.

Some of the old shackles hampering the Dominions have, however, yet to be removed. They are dealt with in a resolution of the Imperial Conference of 1911 formulating a demand of the Ministries of the Dominions that the Imperial Government should take steps with foreign Powers to release the Dominions from British treaties of the older type, numbering about thirty, and including all the countries with which we trade. These negotiations, which may be said to complete the recognition of the treaty-making right of the Dominions, were presumably still in progress at the outbreak of the war. What we know is that France, Sweden,

Norway, Mexico, Denmark, Colombia, and Costa Rica have accepted the new status of the British Dominions entitling them to freedom of negotiation.

So far as we know only two Powers refused to give the Dominions their freedom. One of these two Powers was Italy, and it is significant, in view of subsequent happenings, that Austria, the ally of Germany, should have been the other. Germany severed her commercial treaty relations with England in 1898, so that she was not involved; but Austria, possibly acting in this matter as in so much else at the bidding of Berlin, wanted to know the motive behind this demand for the release of the Dominions from old treaty obligations. In the case of Austria it was the Australian shipping privileges which were involved, and the Austrian Government asked if it was intended "to prepare a way for a preferential treatment of British vessels as against those of other nations." We may assume that, in the reconstruction following on the war, all these matters will be rediscussed on quite a different footing. The States of the British Empire will have no need to talk in whispers of their desire to trade together as members of one family.

We have reviewed the persistent and in the end successful fight of the Dominions for fiscal freedom—even to the extent of taxing British manufactures entering their countries—and for the right of individual commercial negotiation with foreign Powers. Each successive step in this emancipation has been regarded by governing Englishmen as a move towards Colonial independence and the break-up of the British Empire.

It was in fact nothing of the kind, and in view of the new relationship which the war must set up between the Governments and peoples of the Empire, it is of the first importance that this should be made clear.

What we have seen in progress has been a revolt against the old attitude of domination which went by the name of "Downing Street rule," and a constant aspiration among the peoples of each of the Dominions to "manage themselves"; but a few facts will make it clear that this growing national consciousness, far from weakening their attachment for England and British institutions, has served to deepen their conviction that the fullest development of their national life is to be obtained, not in independence, and certainly not in annexation to any other country, but under the ægis of the British

Empire, and in partnership with its other States.

Even in the year immediately succeeding that in which Canada secured the right to tax British goods, Sir John Macdonald, the Canadian Prime Minister, and two of his principal colleagues, Sir Leonard Tilley and Sir Charles Tupper, were making proposals to Lord Beaconsfield for “a reciprocity treaty with England.” They renewed their approaches five years later, in 1884, seeking to find, in conjunction with British Ministers, some means of realising the ideal of Empire partnership. Mr. (now Sir Joseph) Pope, who was then the Secretary and confidant of Sir John Macdonald, says in his life of the great Canadian statesman :

“ Sir John Macdonald looked upon it as necessary to the continuance of the Empire’s greatness that some form of co-operation—some common bond other than their common allegiance—should be established between the Colonies, uniting them with one another and with the Motherland. That bond, in his opinion, should be one of material interest; a union for the purposes of defence and trade was in his judgment the true Imperial policy.”

In these Canadian approaches we have the germ of the Empire preference movement which has since occupied so much of the thought of the statesmen of the Dominions.

At the Colonial Conference of 1887 the subject was raised by the then Prime Minister of Queensland, Sir Samuel Griffith, upon principles the soundness of which has been justified by all that has happened since. He said :

“ A man’s first duty is to his family, and then to his country ; and by country I mean it in the largest sense—the whole British Empire ; the first duty of every one of us in every country in the Empire is a duty to the Empire before our duty to any foreign country.”

Mr. Deakin, speaking for New South Wales, Mr. Hofmeyr, speaking for Cape Colony, Mr. Cecil Rhodes and Sir Henry Parkes, lent their support to the movement ; but all in vain. It was what Lord Knutsford, the Colonial Secretary, called an “ awkward ” question for British Ministers, and its “ awkwardness ” was felt by both the great parties in the State. They were not free to sit round the table with the Ministers of the Dominions and discuss frankly how

best to work together and make the most of the common heritage. Their past had imposed upon them certain political reservations, and certain economic theories must be respected.

But once again the facts of the case have proved irresistible, and once again it is by the Dominions that the barriers have been broken down.

The initial fact which commanded the situation was the existence of two treaties negotiated by British Ministers in the old days of Downing Street dominion, the treaties with Belgium and the German Zollverein. Under those treaties two foreign nations could and did claim enjoyment of any tariff privileges granted by the British Dominions to their Mother-country. It was a slur upon the fiscal freedom of the Dominions, and especially hateful to them upon that account. But not to British statesmen. Conservative and Liberal Ministers alike, from 1831 onward, resisted Colonial appeals, again and again renewed, to be rid of these treaties, and it was not until Canada in 1897, under the pressure of her relationship with the United States, forced the position by defying the treaties and enacting a definite preferential tariff that they were denounced.

The reason Lord Salisbury, as Foreign Secretary, gave to the Belgian and German Governments for the denunciation is especially noteworthy. It was because treaties which bound the Colonies to give to the Zollverein and Belgium the same tariff rates as they gave to the United Kingdom "constitute a barrier against the internal fiscal arrangements of the British Empire which is inconsistent with the close ties of commercial intercourse which subsist and should be consolidated between the Mother-country and the Colonies."

We have spoken of this reason as especially noteworthy. It is so because the previous declarations and actions of Foreign Secretaries in our time, and even of Lord Salisbury himself, had been based on the assumption that in its commercial intercourse England knew no distinction between "Colonies" and foreign countries.

Germany was quick to see the danger of the new point of view of British statesmen, and did her best to coerce both England and Canada. She looked with the greatest disquietude upon the gradual evolution of anything in the nature of a British Imperial Tariff Union with differential duties against foreign countries, and she desired by every

means to foster German trade relations with the British Dominions and create mutual interests which would be hostile to any such Union.<sup>1</sup> Belgium agreed to a new treaty which would leave the Dominions freedom of action, but Germany flatly refused. She would not admit that the British Empire was an economic unit. For her, it was nothing more than a loose aggregation of States, each with its own fiscal relations with the outside world. What the Dominions gave, even to their Motherland, they must give equally to Germany. The statesmen of Germany did more. They took so grave a view of this initiation of a British Imperial movement in trade that they created what Lord Lansdowne called a "serious position."

"It is not merely," he said,<sup>2</sup> "that we found Canada liable to be made to suffer in consequence of the preferential treatment which the Canadian Government had accorded to us, but it was actually adumbrated in an official document that, if other Colonies acted in the same manner as Canada, the result

<sup>1</sup> See Carl Fuchs, *The Trade Policy of Great Britain and her Colonies since 1860*, pp. 386 and 392.

<sup>2</sup> House of Lords, June 29, 1903.

might be that we, the Mother-country, would find ourselves deprived of most-favoured-nation treatment."

Thus Germany first demanded to share in the Canadian preference. If Canada gave lower duties to her own Motherland, Germany must enjoy the same lower duties. And when that attempted intrusion into the domestic life of the British Empire was forbidden, we had the threat that England would be punished in her trade with Germany if she did not put these naughty little Colonies in their place.

The effect was exactly what German statesmen would have expected had they understood the real causes behind the movement towards Imperial unity. They knew the reluctance and hesitation with which British Ministers had yielded to the pressure of the Dominions, and hoped to turn that reluctance to their advantage and strangle the British Preference movement at its birth. All that they did do was to strengthen the determination of the Dominions, and give to the Canadian tariff preference a more decided Imperial character than it might otherwise have had. The Canadian tariff of 1897, which in its first form was designed to open the Canadian market to all the world on a

reciprocal basis, became an Empire preference tariff, and under it the yearly British exports to Canada have increased by no less than £18,500,000 in the sixteen years since its adoption.

This initial step has had far-reaching results. The example which Canada set in 1897 New Zealand followed in 1903, South Africa in 1906, and Australia in 1907. Furthermore, a series of inter-Colonial preferential arrangements between Canada, New Zealand, Australia, and South Africa have been concluded, and to these has been added an arrangement between Canada and the West Indies which in some respects is more remarkable than any which have preceded it. Thus the self-governing portions of the British Empire, excepting alone the United Kingdom and Newfoundland, have gradually formed a network of Imperial and inter-Imperial preferential trading arrangements.<sup>1</sup>

Prior to the initiation of this principle of Empire Preference by Canada in 1897, British traders were rapidly losing ground in the Dominions before their foreign rivals. The Commissioner of Customs in Canada

<sup>1</sup> See Tariff Commission Memoranda and especially Mm. 46, "The Problems of the Imperial Conference and the Policy of Preference."

gave it as his opinion that British exports to Canada would soon reach the vanishing point. Under the operation of Preference a greatly different result has been achieved, not only in Canada, but in the other out-lying parts of the Empire, as the following figures show :

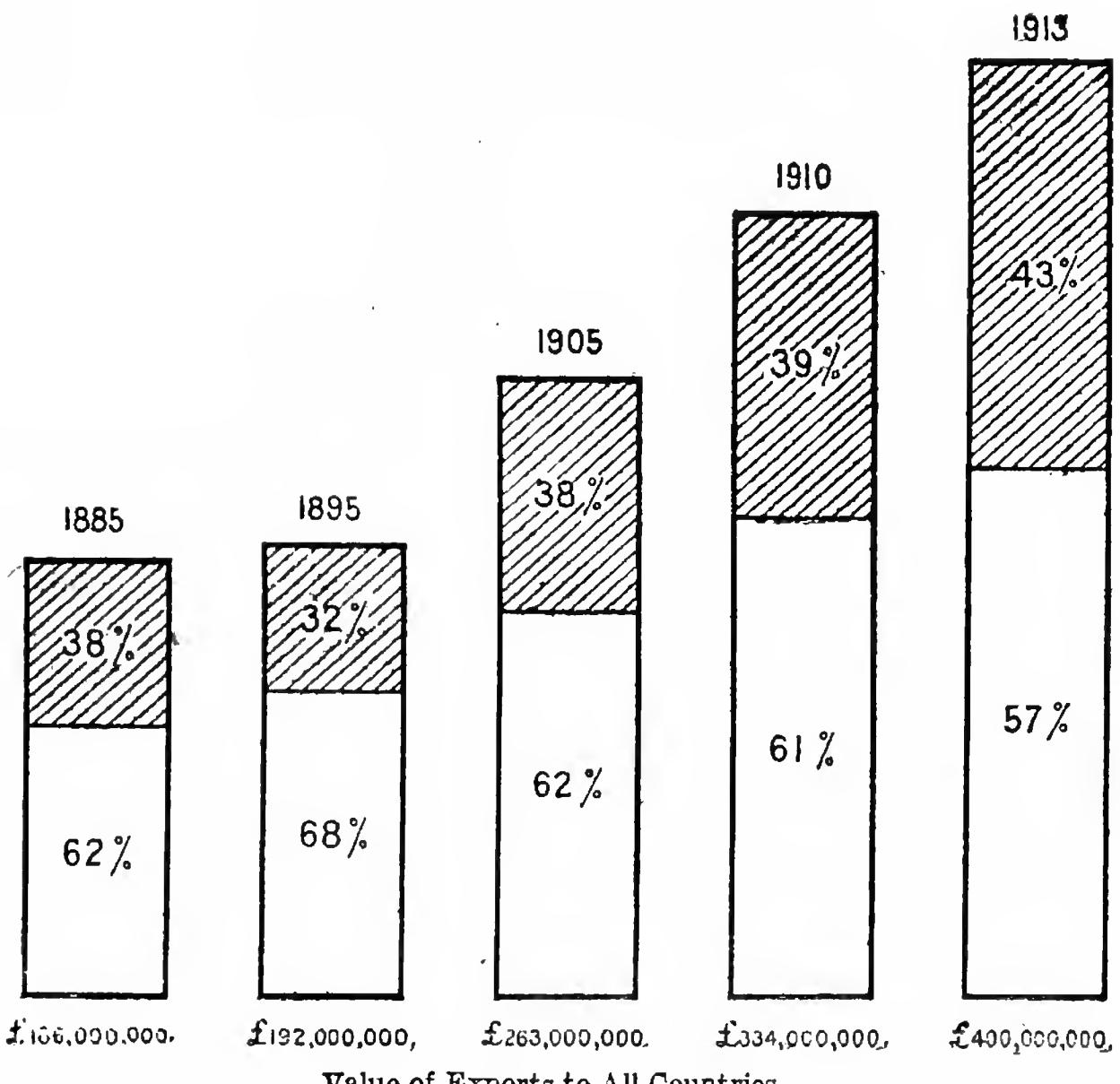
BRITISH EXPORTS OF ARTICLES WHOLLY OR MAINLY MANUFACTURED (EXCLUDING SHIPS)

	Total to Foreign Countries. Mill. £	Total to British Possessions. Mill. £	Total to all Countries. Mill. £
1885 . . . .	114.8	71.3	186.1
1895 . . . .	129.8	62.3	192.1
1905 . . . .	164.0	99.2	263.2
1910 . . . .	204.8	129.3	334.1
1913 . . . .	228.3	172.0	400.3
Increase between 1885 and 1913 . . . .	113.5	100.7	214.2
Percentage increase . . .	99%	141%	115%

Stated graphically, we get the accompanying picture of the growing importance of Empire markets for British manufactures.

Another table completes this story of "Partnership in Freedom" as leading up to an entirely new condition of interdependence in the trade relations of the States of the Empire. Just as the British manufacturer and the great industrial popu-

BRITISH EXPORTS OF ARTICLES WHOLLY OR  
MAINLY MANUFACTURED



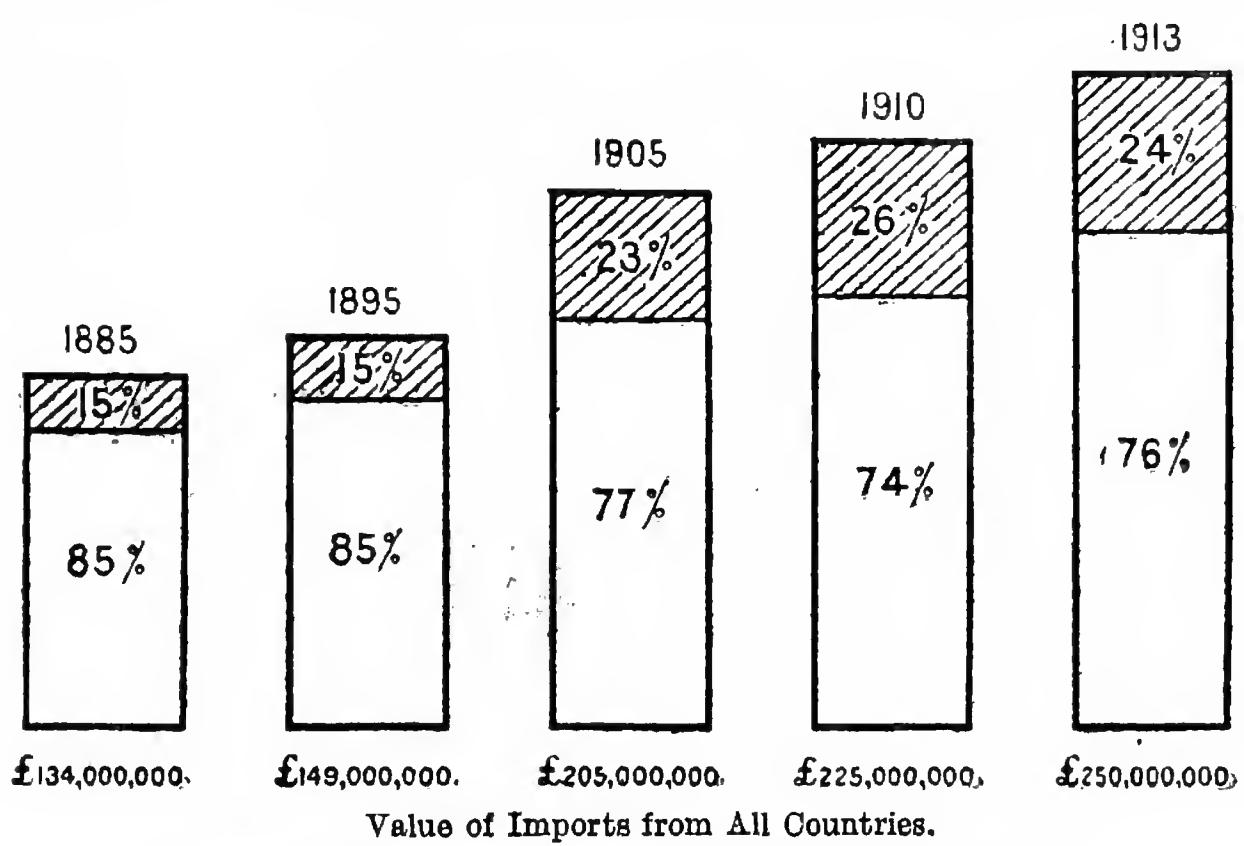
Shaded = Percentage Exports to Empire.

Unshaded = Percentage Exports to Foreign Countries.

lation of these islands become more and more dependent upon Empire markets, so the Dominions producer is taking a larger and larger place in the supply of British needs of food and raw materials. Glancing back thirty years we get the result as printed on p. 234. The most significant figures there given may also be stated graphically, as on opposite page.

Thus, amid all the distractions created by outside rivalries and internal wranglings, the British Empire does tend to become mutually supporting, and the Great War carries no more insistent moral than the duty of statesmanship to quicken and strengthen so fruitful a "Partnership in Freedom."

## BRITISH IMPORTS OF AGRICULTURAL PRODUCE



Shaded = Percentage Imports from Empire.

Unshaded = Percentage Imports from Foreign Countries.

BRITISH IMPORTS OF AGRICULTURAL PRODUCE  
(MILLION £)

## FROM FOREIGN COUNTRIES

	1885.	1895.	1905.	1910.	1913.	Increase be- tween 1885 and 1913.	
						Amount	Per cent.
Cereals . . .	45·4	45·4	49·7	52·1	58·85	13·4	30
Meat . . .	21·1	25·8	37·8	34·4	41·2	20·1	95
Eggs . . .	2·9	3·8	6·7	7·3	9·6	6·7	228
Fruit . . .	7·2	7·8	11·9	13·3	15·1	7·9	110
Vegetables . . .	1·3	2·5	3·4	3·3	4·95	3·7	294
Butter, Margarine, etc. . .	11·4	15·4	19·6	22·8	24·1	12·7	111
Cheese . . .	2·8	2·1	1·3	1·1	1·4	1·4*	51*
Lard . . .	1·5	2·9	3·3	4·4	4·65	3·1	205
Sugar and Molasses	15·5	16·4	18·7	23·2	22·75	7·25	47
Other Articles † .	4·7	4·1	4·7	5·0	6·8	2·1	45
Total from For- eign countries .	113·8	126·2	157·1	166·8	189·4	75·6	66

## FROM BRITISH POSSESSIONS

Cereals . . .	11·0	7·7	20·3	26·3	27·95	17·0	154
Meal . . .	3·5	7·6	11·6	14·5	15·5	12·0	339
Fruit . . .	0·3	0·75	1·9	1·8	2·1	1·8	698
Vegetables . . .	0·54	0·8	0·9	0·9	1·2	0·6	118
Butter, Margarine, etc. . .	0·2	1·6	5·3	5·8	4·8	4·6	2,891
Cheese . . .	1·24	2·6	5·0	5·7	5·7	4·4	355
Lard . . .	0·1	0·1	0·6	0·7	1·4	1·3	1,553
Sugar and Molasses	3·0	1·5	1·3	2·1	1·0	2·0	67*
Other Articles † .	0	0·2	0·5	0·7	0·8	0·8	—
Total from British Possessions .	19·8	22·9	47·4	58·5	60·3	40·5	204

\* Decrease.

† Cattle Food, Milk, Hops, etc.

## SECTION III

### *POLICY*

“ How to inspire British citizens under many skies with an abiding sense of union, based on common patriotism, common interests, and common danger ? ”—SIR GEORGE SYDENHAM CLARKE (Lord Sydenham of Combe).



## CHAPTER VII

### A GLANCE FORWARD

“There have been many in recent years who, finding, not without some ground, signs of decadence in the British Empire, have thought that perhaps the day was approaching when, as in the case of every other Empire that the world has known, decay and ultimate dissolution would bring to ruin the work of centuries. . . . It would seem to be according to the Divine Providence that our country should still have a far-reaching mission to fulfil, and that all the nations that make up the Empire should be brought into closer union of aim and purpose than ever before.”—  
CARDINAL BOURNE, Westminster Cathedral, *February 14, 1915.*

THIS is an Empire war. It is the first war in which the peoples of the Empire in every stage of development have stood together in partnership. Whether they constitute Dominions, Crown Colonies, Dependencies or Protectorates they have with one accord eagerly stepped into line with England. The lead came from the Self-governing Dominions. They are masters of their own policy. They could, if they pleased, have

stood aloof. The day has gone by when any governing Englishman would have dreamed of attempting to coerce them, and there is now good reason to believe that the enemy not only expected their "neutrality," but was prepared to respect it for the time at least. "Why on earth did Canada want to interfere; this quarrel is no concern of hers," was the remark made by the Austrian officials to a retired Canadian officer when they learnt in November, the fourth month of the war, that a Canadian contingent had actually arrived in England. They had previously been extending "neutral" treatment to Canadians detained in their midst by war conditions. "Never once," said the officer's wife, who was with her husband in Austria, "was I made to feel that I was an alien enemy; we had nothing of which to complain until news reached the German authorities that Canada had sent troops to England."<sup>1</sup> One of the most widely accepted items of foreign news in Germany in the early days of the war asserted that United States troops had passed into Canada and been received as deliverers. In a word, German officials, remembering perhaps the talk of a few ill-informed Canadians who, in

<sup>1</sup> *Canadian Gazette* (London), December 10, 1914.

other days, preached the foolish gospel of Canadian neutrality in the event of a European war entangling England, counted on Canada standing aside, as the United States have stood aside. Strange indeed would have been the neutrality! Germany in possession of Newfoundland might have stood sentinel at Canada's front door, controlling her every act and isolating her from her Motherland. It would have been a neutrality comparable with that which Luxemburg enjoys at this moment, and the ultimate consequences to Canadian nationality would have been like those which Belgium would have enjoyed at the end of the war had she allowed Germany to possess herself of the Belgian coast-line and territory for operations against France and England.

They did not know in Berlin and in Vienna that when peace still hung in the balance, when the British Cabinet itself was divided and hesitating, the Governments of Canada and other Dominions had cabled to the Home Government asking anxiously for immediate advice how they could best help if the war-cloud should break over England. Four days before England was at war Canadian Ministers hurried back to Ottawa from holiday resorts and went into emer-

gency council to plan for Canada's direct participation should England become involved. As a result, the Canadian Government offered at once, even before England was driven into the conflict, to send "a considerable force" as Imperial troops, Canada making herself responsible for their pay, maintenance, and equipment. No fewer than fifteen Canadian regiments had already by that time offered their services. Moreover, the Canadian Government placed a fleet of thirty-one steamers at the disposal of the Home Government as troop transports or grain-carriers. From Australia there came, four days before war broke out, the pledge of the Prime Minister that the Commonwealth would stand beside England "to the last man and last shilling," and this pledge was on the eve of war crystallised into an official offer of 20,000 men, while the vessels of the Australian Navy were forthwith placed under the control of the Admiralty. A similarly urgent desire to help animated the Governments and peoples of New Zealand, Newfoundland, and other parts of the Empire. "Place ship where of most service to the Empire," was the reply of the Prime Minister of New Zealand when asked whether the gift-ship of the Dominion, the

*New Zealand*, might be stationed elsewhere than in China seas, according to agreement. South Africa has been held as staunchly for Britain during this war as fifteen years ago General Botha and his colleagues would have held it for the Dutch. “You can safely withdraw all Imperial troops,” he cabled in effect to Downing Street; “we will look after the interests of the Empire in these parts.”

Nothing could well be more impressive or more suggestive to a true Empire statesmanship than this spectacle of a free Empire springing voluntarily to arms at the first suggestion of outside menace. It was the confirmation in a new and, to him, startling sense of Bernhardi’s assertion that in the Britains overseas there would in the day of trial be found to be “sufficient inflammable material.”

So far as has been made known, the overseas contingents are as follows:

*Canada*.—Speaking on July 13, 1915, Sir Robert Borden said that Canada had sent overseas up to that time nearly 75,000 men—including the troops which were doing garrison duty in the West Indies—while in Canada there were then another 75,000 men in

training—being prepared as rapidly as possible for their advent to the front when needed.

*Australia.*—The offer of the Australian Government to send 10,000 additional troops, which in the Spring of 1915 was accepted by the Imperial authorities, brought the Australian Expeditionary Force up to 60,000, and by July 10, 1915, the number raised had reached 91,497 (*Times*, September 20, 1915). The approximate amount included in the estimates for the year ending June 30, 1915, as expenditure consequent upon the war was £11,742,050, of which £11,575,800 was expenditure of the Department of Defence. £9,800,000 was for the Expeditionary Force, including £2,000,000 for the oversea transport.

*New Zealand.*—The first contingent was 8,000, and in November Colonel Allen, Minister of Defence, stated that reinforcements were being sent representing at first 20 per cent. of the original contingent and then 5 per cent. monthly. The Prime Minister (Mr. Massay) said at Wellington in March 1915 that New Zealand's war expenditure was £300,000 monthly, “and must increase.”

*South Africa.*—The Union of South Africa is believed to have had from

40,000 to 50,000 men under arms. According to General Smuts' Budget speech (March 1915) South Africa's special war expenditure was nearly £9,000,000 in 1914-15, and is estimated at about £7,000,000 for 1915-16. This is apart from the South African Imperial Contingent since decided upon.

*India.*—The contingent from India was stated in September 1914 to be 70,000—"horse, foot, and artillery, British and Indian, Rajput and Gurkha, and Sikh and Pathan" (*Times*, September 10, 1914). In money India contributes that portion of the expenditure incurred on the expeditionary forces which she would have had to defray had they remained in India. Sir William Meyer, the Finance Member of the Viceroy's Council, anticipates that India's contribution will be £1,900,000 for 1914-15, and £4,800,000 in 1915-16. These figures do not include the expenses being borne by the Indian Princes, who have placed their Imperial Service Troops at the disposal of the Indian Government in connection with the expeditionary force, and who are bearing the normal charges which would fall upon them in peace time.

Three times before have the Dominions shared in Empire conflicts, but with a vital

difference. In 1885 New South Wales sent 900 officers and men to the Sudan following the death of General Gordon at Khartoum, and from Quebec went 270 French Canadian *voyageurs*. It was the first occasion on which a free self-governing Colony dispatched troops on its own initiative beyond its own border to assist England in her task of securing good government in a semi-civilised country. Fifteen years later, in 1900, the fight for British liberty in South Africa again brought Colonial troops into the field by the side of those of England, namely, 6,400 from New Zealand, 16,300 from Australia, and 7,200 from Canada ; while the South African forces on the British side numbered some 30,000.

In the Sudan and in South Africa it was as loving children that these men came from the Dominions to England's aid. The motive was family feeling. The motive which now brought them to England's side in the Great War is far more than that. Lord Milner is assuredly right when he says that they threw themselves into this conflict to their "last man and last shilling" because they realised that the things which are at stake concern them just as vitally as they affect the Mother-country. "They are fighting

not only for her or for the Empire, but for themselves ; their interest in a successful issue of the war is direct and individual.”<sup>1</sup>

It is customary with British public men to speak of this support from the Dominions as meriting British “gratitude.” All talk of “gratitude” springs from a misconception of the character of the tie which links men of our race together. For them, as for us, this is no war of conquest, no fight to acquire territory or treasure. For them, as for us, it is a war for supremacy certainly—the supremacy of all that we cherish most—Empire, country, honour, our place in history and among the nations of the world. They see, as we do, that civilisation is being shaken to its foundations by a clash between two conflicting ideals. On the one hand we have the Prussian conception of world dominion effected by the armed efficiency of a highly centralised, logically constructed Imperialism seeking to impose upon other nations a peace which is not to be liberty. On the other hand stands the claim for which the British Empire unitedly stands with the Allies—the claim of the nations of the world to live their own lives and work out their own form of government for themselves as

<sup>1</sup> Lord Milner, Royal Colonial Institute, March 23, 1915.

they please, provided only that their liberty does not trespass upon the liberty of others. The existence of the British Empire depends upon this right of ordered freedom carried to the utmost limits of self-development. It is in order that this right may be conserved to them and their children and to the nations of Europe that the peoples of Canada, Australia, New Zealand, South Africa, and Newfoundland, of England, Scotland, Wales, and Ireland, are in arms to-day; determined, whatever be the sacrifice, not to put their swords back into the scabbards until the end of liberty be achieved.

In the ninety units which constitute the British Empire there are all manner of gradations of self-government—Dominions, Crown Colonies, Protectorates, Dependencies. The relation of each to the Mother-country differs and is often illogical and ill-defined. To the methodised brain which compares it with the symmetry of the American federation or the German Empire our manner of administering one-fourth of the world's surface may seem planless and ineffective; and yet the world is at this moment the witness of a unity of purpose among these scattered and diverse communities such as passes all parallel. An

American writer shows us this "Imperial mystery" as it strikes a friendly outsider. He says: <sup>1</sup>

"Whenever Germany and France with their highly centralised and logically wrought out Governments have contemplated the fabric known as the British Empire they have smiled smiles of disdain. If ever there was an instance of 'muddling along' through decades, and even centuries, taking things for granted, avoiding issues, extemporisng expedients, and working always for the object immediately in view, with scant reference to any principle of outward consistency, it is supplied by the history of the making of the British Empire. This is a strange gathering together of Crown Colonies, Dominions, Protectorates, a Commonwealth, Dependencies, and India. India is directly ruled by the Crown. Jersey, Guernsey, and the Isle of Man are governed under their own laws, but certain officials are appointed by the Crown. Canada and Australia are both self-governing, but the Senators in Canada are appointed by the Governor-General, while those of Australia are elected. There is a Secretary of State

<sup>1</sup> *St. Louis Republic.*

for India in the King's Cabinet. And all gradations of self-government may be found in the more than ninety units of the British Empire.

" This fearful and wonderful fabric has no central body. There is no 'Bundesrath' of Imperial Council. No collective action of its units is possible. The relation to them of the Mother-country is illogical, ill-defined. To the foreigners accustomed to the federation of the American States or of the units of the German Empire the Government looks planless and ineffective.

" All of which is preliminary to the observation that there is not at the present moment any more effective institution in the whole world of political fabrics than the British Empire. Whatever its machinery lacks appears to be supplied by its spirit. The defects of its body are made up for by the unity of its soul. The fact cannot be gainsaid that England, who does not begin to be as logical as Germany or as systematic as France in matters of government, has, nevertheless, the knack of making men step out of their own free will to die in her defence. She has the gift of keeping alive, across tumbling seas, round half a world, the undying bond that unites the heart to home. She has shown herself indifferent to

the possession of the taxing power over her Colonies—but what matters it? Those Colonies willingly tax themselves to send her warships, and their sons seize their rifles in time of strife to go to her aid. She has the wisdom so to train and guide the swarthy children of alien races, and even the foes of yester-year, that they put their living bodies between England and England's enemies. She has a fearfully muddled theory of government, but her practice of government lays hold on the deepest thing in the soul of man.”

We who live within the British Empire and know its institutions by daily experience are able to see system where an outsider sees only chaos. The best supplement to this American picture is supplied by Sir Robert Borden when he says : <sup>1</sup>

“ The British Empire as at present constituted is of very recent creation, or rather, evolution. The British Islands, which constitute the metropolitan State of the Empire, have no written Constitution, and the Oversea Dominions are governed under an apparent confusion of statutes, charters, conventions, and understandings. To those

<sup>1</sup> At Halifax, Nova Scotia, December 17, 1914.

who do not comprehend the governing principle which pervades all this seeming confusion the Empire seems to have no logical right to exist at all, and, naturally, they regard it as decadent, and look for disunion and weakness in the hour of trial.

“ But the principle of autonomous self-government, applied wherever the conditions permit, has been, and is, its great cardinal feature. And there has been no weakness and no disunion because the unity and strength of the Empire are securely founded upon its liberties, wherein alone enduring strength is to be found. Thus the Dominions of the Empire, united by the tie of common allegiance and common ideal, present to-day an unbroken front.”

Sir Charles Lucas, for over fourteen years at the head of the Dominions Department of the Colonial Office, puts the matter thus in his newly-published work, *The British Empire* :

“ The English idea of Empire is to combine general supervision and control with toleration, and not toleration only, but encouragement of diverse customs and characteristics, so far as the customs

do not conflict with what civilised nations hold to be fundamental rules of humanity. . . . Whether mistaken or not, the policy is one of encouraging, not blotting out life . . . giving as far as possible fuller life and higher development to what nature has brought into existence. The Empire, which is not a machine-made conquest, but a growth, sown in all sorts of odd ways, and nourished by all sorts of odd sentiments and reasons, does not crush out life or stifle freedom, but increases life and enlarges freedom. Whatever his race or creed, a man in distant lands may be more, and not less, himself because he is a British subject.”

It is because the peoples of the Dominions believe with us in this way of progress and this practice of Government ; because experience teaches them that in this way they may realise the best that is in them, that the Dominions came with England into this titanic conflict ; and only when we lose sight of this, the true basis of our unity and strength, will the British Empire stand in danger of disruption.

It was inevitable in the circumstances that England should go into war without consultation with her Empire partners, but

it is inconceivable, and would indeed be intolerable to British as well as to Dominion opinion, that they should have no share in the peace which their patriotism and self-sacrifice will have done so much to secure. This being an Empire war, the peace, when it comes, must be an Empire peace. What practically all Dominion statesmen have felt and said is that most of the blunders of the past, affecting the common interests of all parts of the Empire, have come from a want of inter-communication of ideas, and the absence of sympathy and understanding which is its inevitable accompaniment. War-time is no time for a ceremonial Empire gathering in London, with its elaborate agenda and attendant junketings, but British Ministers recognised in word at least that it would be an act of grave neglect if a responsible Minister were not invited at the earliest possible moment from each Dominion to get into touch with the Imperial authorities who were conducting the war, and to whom the Dominions had committed their own contingents, and to ensure that, in negotiating terms of peace, the British Government were fully possessed of the views of the King's Ministers from overseas.

If governing Englishmen will only see it,

it is not "gratitude" that the peoples of the Dominions desire, but the recognition which is their due as partners in a common cause. Three authoritative statements on this subject<sup>1</sup> may be given as illustrative of the point of view generally and strongly held in the Dominions.

Sir George Perley, of the Canadian Ministry, who is known in this matter to be expressing the deep convictions of the Prime Minister of Canada :

"It is said by some that the Self-governing Dominions have come to the assistance of the Home Country in its hour of trial. Personally, we did not like that way of putting it. As a matter of fact, Canada is in this war because she is a part of the British Empire, and because that Empire has been attacked. We are in this war to protect ourselves as well as to do our share as your loyal comrades. The Imperial feeling is very much alive in Canada. We perhaps feel the Empire to be a more vital thing than does the ordinary citizen of England. We are fighting this battle together, for the liberty of ourselves and of our descendants. All freedom-loving

<sup>1</sup> Speeches at the Royal Colonial Institute, February 23, 1915.

people must be with us in this fight. There is, to my mind, a clear issue between, on the one hand, the German system of autocracy with a privileged ruling class forcing all the ordinary citizens into one mould, and on the other hand the kind of Government which is by the people, and under which every citizen has the greatest amount of individual liberty that is compatible with the safety of the whole. There are no people who are more fond and more proud of our democratic system of government than those living overseas. Therefore, in this struggle against German militarism, we are fighting our own battle as well as yours. . . . The Chairman has introduced me as the High Commissioner. That is not quite correct. I am a member of the Canadian House of Commons, and a member of His Majesty's Canadian Government, and as such am at present looking after the work of that office in London. Now I represent a county in the Province of Quebec, and that county has taken a great deal of interest in this war, and is, I believe, to a man, behind the Canadian Government in the part they are playing. But I wish to say that it would be impossible for me to get up on a platform in that county, which I have represented for ten years,

and to argue that Canada should do as she is doing now for all time, whenever war may come, without knowing beforehand and being consulted regarding the questions at issue which may make such war necessary."

The Hon. W. P. Schreiner, High Commissioner for South Africa, and ex-Premier of Cape Colony :

" In a great war such as this—a war which admittedly in one aspect is an enormous evil—we shall be wise to take stock of the benefits which arise, and among those benefits not the least is the sense of oneness created throughout the Empire. We are all in one job. I join in the caution against the idea that the rest of the Empire has come to Europe only to help the Mother-country. Bless yourselves, the Mother-country did not need that help ! It is big enough and strong enough with its Allies to have carried the whole thing on itself, and I do not want the idea to go forward that the rest of the Empire has come, in any spirit of alarm as to the ultimate issue, to take part in the Mother-country's battle. The Daughter - states have flown to the assistance of the Mother - country because they feel that it is their job, and

because they are in it too. The out-lying parts of the Empire are almost more concerned in victory in this great struggle than this part of the world itself. . . . It is all to the good that we should be united in time of war. However, the mere fact that the Empire is united in a struggle like the present is not a sufficient guarantee for union in the future, and I associate myself very much with the idea that the near future after the war must see a little more attention given to practical improvement in the methods and system under which the Empire is now run. I am not prepared at the moment to say what particular way should be followed, but some way should be followed, not in order to tie the bonds more tightly—for they should remain elastic—but so that there should be no knots to cause friction.”

The Hon. H. L. Bishop, Member of the Executive Council of Newfoundland :

“ I have been very much pleased with the sentiments of previous speakers who said the Overseas Dominions were not coming to the help of the Mother-country, but fighting their own battle, and that, therefore, they were glad and proud to stand against the foe, shoulder

by shoulder, with the soldiers of the King. It would be easy to argue that the results of the war, should we be unsuccessful, would be much more disastrous to the oversea portions of the Empire than to the Homeland ; so it is not helping the Old Land merely, but demanding that we shall all have a chance to do our part in maintaining the traditions of the Union Jack."

This recognition of partnership which the Dominions thus demand they will assuredly receive. If one group of public men will not give it, another group will ; for if there is one thing certain, it is that the great British public is sound to the core on this subject of Empire good-fellowship. Public speakers will tell you that the surest way to bring a British audience to the point of enthusiasm and unanimity, no matter how mixed be its politics, is to dwell upon the way in which the peoples of the Empire have stood together in these critical days, and to insist that this partnership in war carries with it obligations in the way of partnership in peace which the statesmanship of the Empire must not be allowed to neglect. We all realise how that when England is at war Canada also, and every one of the

Dominions, is necessarily at war ; any other idea is seen to be mere foolishness. But it is not to be supposed for one moment that the Dominions can remain liable to a repetition of the terrible experiences through which they are now passing as Empire States without having any voice in the policy which leads to such a result. That, as Lord Milner says, is "contrary to all the traditions and most deep-seated political instincts of our race, which has ever striven to confine the burden of any obligation to those who have been parties to the contract."<sup>1</sup> These difficult matters cannot be adjusted in the middle of the great war ; the peoples of the Dominions do not even expect them to be discussed ; but they do expect and ask—and in this they have the overwhelming support of the people of the United Kingdom—that when the happy time of peace arrives the relation of the States of the Empire, one with another, shall be adjusted to the new conditions which the war has created.

In the act of making the peace an Empire peace, we shall be starting a new relationship between the States of the Empire which

<sup>1</sup> Lord Milner at the Royal Colonial Institute, March 24, 1915.

will not only reflect the partnership of to-day but prepare for the far more intimate partnership of the near future.

Throw the mind forward a generation or two. Take first the change now in progress in the distribution of the white population of the Empire. It is clearly shown in the diagram on the following page.

The white population of the Dominions to-day is just under 16,000,000, or something over one-third of the population of the United Kingdom, which is nearly 47,000,000. An examination of the rates of growth in the Dominions during the last ten or twenty years justifies the assumption that the population of the Dominions will be equal

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GROWTH OF THE WHITE POPULATION OF THE  
UNITED KINGDOM AND THE DOMINIONS

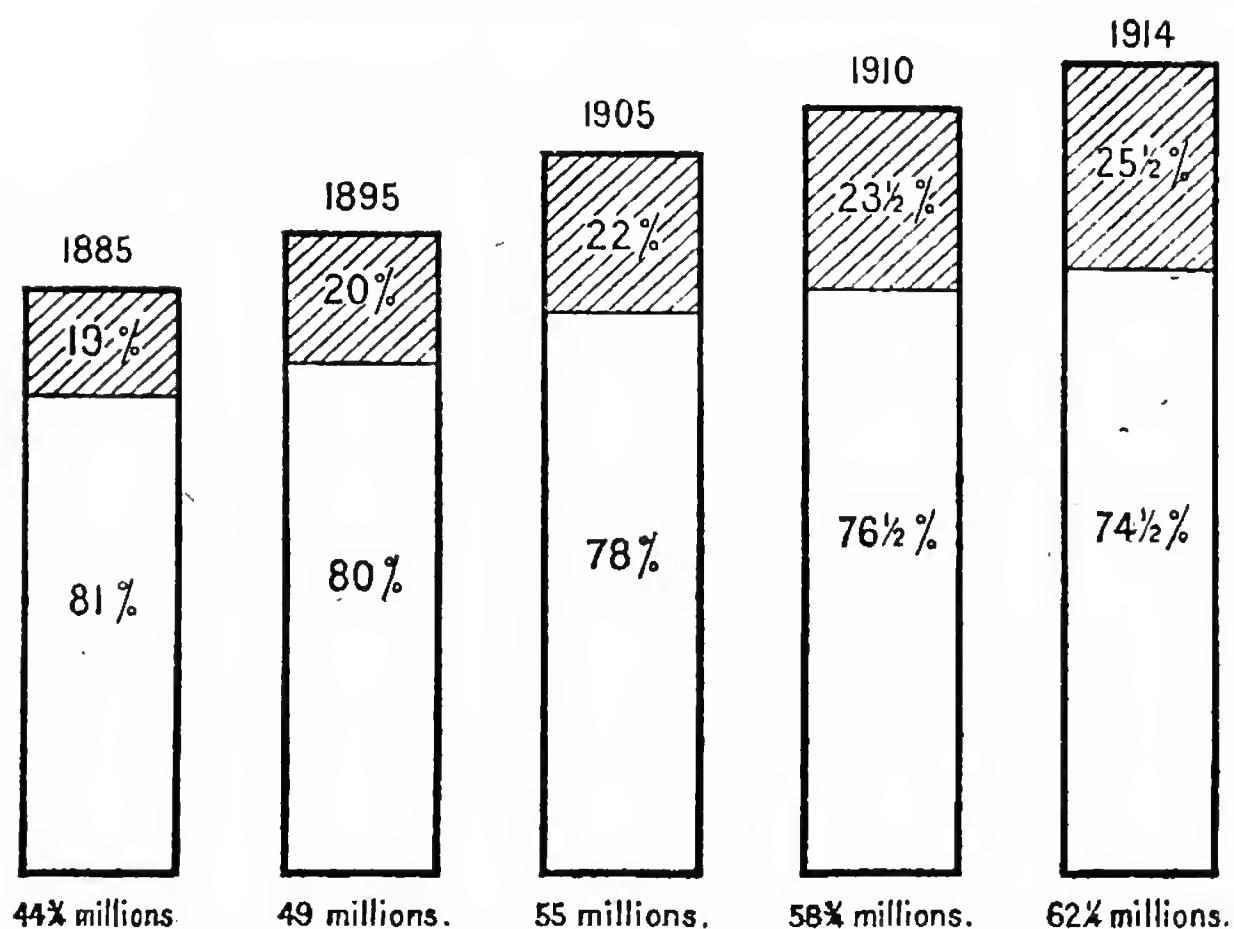
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	United Kingdom.	Dominions. <sup>1</sup>	United King- dom and Dominions.
	Millions.	Millions.	Millions.
1885 . . . . .	36½	8½	44½
1895 . . . . .	39	10	49
1905 . . . . .	43	12	55
1910 . . . . .	45	13½	58½
1914 . . . . .	46½	15½	62½
Increase between 1885 and 1914 . . . . .	10½	7½	17½
Percentage increase . . .	28%	86%	39%

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<sup>1</sup> The Transvaal and Orange Free State populations are included throughout.

## THE WHITE POPULATION OF THE UNITED KINGDOM AND THE DOMINIONS



Total White Population of United Kingdom and Dominions.

Shaded = Percentage constituted by Dominions population.

Unshaded = Percentage constituted by United Kingdom population.

in the aggregate to that of the United Kingdom in from forty to sixty years' time.

Consider also the immediate future from the point of view of the relative wealth of the States of the Empire.

Between 1903 and 1914 the population of the United Kingdom increased from 42,200,000 to 46,400,000, or by 10 per cent., while in the same period the national income rose from about £1,750,000,000 to about £2,400,000,000, or by 37 per cent. The increase in the national income per head of population was, therefore, 25 per cent.

The white population of the Dominions increased from 11,700,000 to 15,800,000, or by 35 per cent. in the period indicated. Therefore, if it be assumed that the *per capita* increase in the national income of the Dominions has been the same as that in the case of the United Kingdom, *i.e.* 25 per cent., the income of the Dominions will have increased by about 69 per cent. between 1903 and 1914. But the income of the Dominions was estimated by Sir Robert Giffen at about £600,000,000 in 1903. Their present income is therefore about £1,000,000,000. Thus we get the following estimated changes in the relative income of the United Kingdom and the Dominions:

		1903.	1914.
		Million £.	
United Kingdom	.	1,750	2,400
Dominions	.	600	1,000
<b>TOTAL</b>		<b><u>2,350</u></b>	<b><u>3,400</u></b>

		Per cent.
United Kingdom	.	74½
Dominions	.	25½
<b>TOTAL</b>		<b><u>100</u></b>

In an earlier paragraph it was estimated that the white populations of the United Kingdom and the combined Dominions would become equal within from forty to sixty years. A like examination shows that equality between the respective incomes will be attained some ten years sooner, or within from thirty to fifty years.

These are certainties of the immediate future, certainties to be realised in the lifetime of many living persons, and it is time for the thinking men and women of England to begin to adjust their notions and policy to the new conditions. The President of the Local Government Board, Mr. Herbert Samuel, said with truth: <sup>1</sup>

“The events that are happening in

<sup>1</sup> Address at Bradford, March 15, 1915.

Europe bring home to us the importance of numbers. The security of our British civilisation depends not only on its excellence, and not only on the efficiency of our nation, but also on our numbers. It is the mass of a nation that tells."

The words apply to Empire policy no less than the domestic British problem of mother-craft which Mr. Samuel had particularly in mind. It is time to enlarge the horizon of our political vision, to accord to the partner nations overseas the new status which belongs to them by reason of their share in dispelling a common menace and their ever-increasing share in a common heritage. In a word, it is time to drop insularity and cultivate the Empire standpoint.

## CHAPTER VIII

### “RECONSTRUCTION”—ADAPTATION

“The war has raised issues we never thought of—deep-searching issues that affect the whole life of this country and the destinies of humanity for generations to come. These great questions of reconstruction will occupy the mind of the country. They have been patient of sectarian controversies. But they will not tolerate them then. They will want to get to something bigger.”—MR. LLOYD GEORGE, House of Commons, March 15, 1915.

WHAT are these “great questions of reconstruction” already appearing above the horizon of British politics; what is the “something bigger” which after the war is to push far back in the public mind the old issues of Church versus Chapel, Orange versus Green, Free Trade versus Tariff Reform? Bold though he is in making excursions into the future, Mr. Lloyd George himself attempts no answer to that searching question; but every thinking man will agree that the problems of which we already discern the advent will test the fibre of our

race as it has not been tested since the days of Napoleon. And we shall need all the statesmanship that our Empire can produce.

Mr. Lloyd George talks of "reconstruction." Its financial uses have given the word a somewhat ugly sound for English ears; "adaptation" is rather the word to apply to the English way of handling such problems as those that lie before us—adaptation of methods to meet new conditions.

But the adaptation must be real and purposeful. There must be a frank facing of the new conditions, and the one new condition which is already fully manifest and must become more and more dominant in any adaptation of our methods is the change in the old relationship of mother and daughter as between England and the Dominions. Foreign relations and the problems of defence, taxation, and commerce—the British attitude towards these and other aspects of national life must henceforth be profoundly and permanently affected by the fact that in this hour of great Empire peril the Dominions of their own free will threw their all into the scale. The children of yesterday have been accepted as the partners of to-day, and it will no longer suffice to enthuse over them in after-dinner speeches

and forget them in the council-chamber and the manager's room.

The unit of British endeavour is no longer the United Kingdom. So intimate have become the political and commercial and social ties between the States of the Empire that their purpose is ours and ours is theirs. The protection under cover of which the Dominions pursue their peaceful development is based upon the stability of England, her character, her money power, and her capacity to hold and defend her territories. Strengthen England, and you strengthen every part of the Empire. Weaken England, and that weakness spreads wherever the flag flies. And, looking forward, we see that the Dominions are as necessary to England's welfare as England is to theirs.

The economic unit we have to consider is the Empire—no less. Everything produced within the limits of the Empire is an addition to its wealth whether that production be in Yorkshire or in Manitoba. The Dominions are the surest and the most expansive outlet for the products of the British working classes and for British investments. Other markets tend to close under the operation of protective tariffs; the markets of the Dominions for British goods tend to expand

more and more. The money lent to Canada, Australia, New Zealand, and South Africa, to open up their new territories with railways and people their waste places, comes back in interest and in orders for manufactures to a degree and with a surety unrealised in alien lands.

Indeed, in whatever aspect the problems of defence, as of commerce and finance, are considered, the conviction grows that the true policy for every one of the States of the Empire is a policy of mutual support and increasing co-operation.

Archdeacon Madden of Liverpool tells us that the first remark addressed to him by a newspaper man when landing in Canada was: “Well, I suppose the Old Country is doddering along as usual.” That was in 1910; we have entered upon a new era since then, and in that new era, with young partners by our side, “doddering along” will no longer do. It can satisfy neither us nor them. The rôle of England is that of “first among equals,” and she must not and will not forfeit her pride of place.

But that is far from saying that she will forget her past or the foundations of her present greatness. The peoples of the British Empire having fought to the death to over-

throw the menace of Prussian Imperialism, do not mean to create the menace nearer home of another Imperialism of a similarly centralised, domineering type. "Jingoism" as misconceived in the time of Beaconsfield has no place in the thoughts of Empire which now animate the public life of Canada, Australia, New Zealand, and South Africa.

In the days of his Foreign Secretaryship Lord Rosebery revealed the astonishing degree to which the so-called "foreign policy" of England had become in fact an affair of Empire—more and more British diplomatic relations with foreign nations were becoming predominantly concerned with British territories overseas, and less and less with the destinies of the affairs of foreign lands. The tendency has become more and more marked. Russia: India; France: Egypt; Germany: South Africa; the United States: Canada; Japan: Australasia—the ever-increasing intimacy between foreign and Imperial policy might be illustrated in almost every part of the globe. The new worlds of the British Empire have for many years been drawing British statesmanship away from the old moorings of European diplomacy.

Consider the motive that has brought the British Dominions into military co-operation with England. It was no thought of gold-fields, no thought of new territories or personal gain, that brought Canadians and Australasians to the side of England in the South African War; it was the realisation of a menace to the British hold upon South Africa. Had there been no prior German meddling in South African affairs there would probably have been no South African War; there certainly would have been no national participation in that war on the part of Canada, Australia, and New Zealand.

The ostensible cause of the present war was the Austro-German attempt to throttle little Servia, but that alone would never have sufficed to bring contingent after contingent to England's side from the Self-governing Dominions. It may be doubted whether sympathy for outraged Belgium and France would have sufficed, great though that sympathy was. The impelling cause was that England was menaced and all that England stands for in the way of free institutions and ordered progress under the Union Jack.

It is essential to bear these facts and tendencies in mind when we come to con-

sider the lines of future policy. Some British writers and speakers have made haste to assume that because Dominion troops are fighting on European soil the Dominions are for all time to be enmeshed in the political affairs of Europe. Nothing could be less likely. So far as their influence goes it certainly will be used to gain redress and security for France and the small nationalities whom Austro-German militarism has sought to crush out of existence ; but for the rest—the Balance of Power and such-like theories—we may be sure that in the future, as in the past, they will make no appeal to the peoples of the Dominion except as bearing upon what is to them the one vital matter—the preservation of the British Empire and the system of Government which is its hall-mark.

This is only another way of saying that if the British Empire is to move forward to a new co-operative strength and usefulness the secret diplomacy of Downing Street must give way to methods more in accord with the spirit of the times. Lord Haldane is represented as saying recently :

"I cannot help thinking that the present war should bring to a permanent

end the system whereby political personages use peoples as pawns on a chess board. I think secret diplomacy will disappear."<sup>1</sup>

Ninety-nine out of every hundred Canadians or Australasians cordially echo that expectation, and they might quote, in support, Lord Haldane's own share in the secret diplomacy which preceded the present conflict. Had the world been told three years ago what Lord Haldane has since disclosed regarding his secret mission to Berlin in February 1912 as a member of the British Cabinet—his fears of a German invasion of Belgium, his warnings to the German Chancellor of the inevitable consequences of such an act, and his assurances that while England would enter a binding agreement in no circumstances to join in any aggression against Germany, she would meet Germany's continued contest of British naval supremacy by laying down two keels to every new German keel—had the peoples of Germany and England and all the world known then what Lord Haldane has told them since, how different might have been the subsequent course of events.

<sup>1</sup> Interview in the *Chicago Daily News*; reproduced in London *Daily Chronicle*, April 1915.

Mr. Chamberlain was derided in his day because of his liking for "glass house diplomacy." It ran counter to all the shibboleths of Downing Street officialism which has always loved the half-lights. Yet Mr. Chamberlain assuredly divined the only kind of diplomacy that is possible for an Empire of Partner Nations such as the British Empire has become. We covet no other nation's territory ; we have no dark game to play with the foreign nations of the world ; our cards can be put frankly upon the table for all to see. Our policy is the simple one of minding our own business and safeguarding and cultivating our own Empire heritage with malice towards none. No other policy can make the necessary appeal to the Australian bushranger, the Boer farmer of the South African veldt, the American-born settler of Saskatchewan, and the simple-minded French-speaking habitant of Quebec. That is the only Imperialism for them, and unless it is also made the Imperialism of the British Isles we may as well banish all thoughts of a permanent Imperial unity.

How, then, is this new intimacy to be achieved ? What are the possible channels for its expression and development ? Sir

George Foster, of the Canadian Ministry, has declared :

“ Before the war many persons argued that Canada ought to have no foreign policy. Now Canada had a foreign policy, and that was the policy of the British Empire. For good or ill, they had taken an advanced position, and *from this time forward the Empire must have a united foreign policy.* Canada would not and ought not to flinch from her added responsibility. The Empire would come out of the struggle welded together in a unity that would be indestructible.”<sup>1</sup>

The “ foreign policy ” of Canada remains. What is essential is that Canada should have her proper share in the making of it.

Sir Robert Borden carried the discussion a stage further, and the new conditions created by the war have more than confirmed his diagnosis of the Imperial case. Speaking at Toronto in the autumn of 1913,<sup>2</sup> he said :

“ Let me make one point clear. Canada, leading in that respect, and the other Dominions of the Empire

<sup>1</sup> Sir George Foster at Toronto, *Times*, April 14, 1915.

<sup>2</sup> *Times*, September 16, 1913.

established three-quarters of a century ago the principle of self-government, which has since developed into the complete control of our own affairs that to-day we enjoy. In one respect only we have failed to attain the full status of nationhood. This was clearly pointed out by Mr. Edward Blake in 1874, when he said that our Government should not present the anomaly it now presents of a Government, the freest and perhaps the most democratic in the world with respect to domestic and local matters (in which we rule ourselves as fully as any nation in the world), while in foreign affairs—our relations with other countries, whether peaceful, commercial and financial, or otherwise—we may have no more voice than the people of Japan. . . . *Those whom those questions concern must always reckon with the inborn feeling in the Canadian breast that a British subject living in this Dominion must ultimately have as potent a voice in the government and the guidance of this world-wide Empire as the British subject living in the United Kingdom. Whether our home is in the British Islands or in Canada, we must be equals before the King.* The full privileges, as well as the full duties and responsibilities, of citizenship are the right of the Canadian people."

And after six months of warfare the Canadian Prime Minister exposed what he called the folly of supposing that the foreign relations of Canada as a part of the Empire can much longer be left to be “determined in a species of trust by which the statesmen of the Mother-country, perhaps more or less in consultation with us, can settle these policies.” He said he looked forward confidently to the day when the men of Canada, Australasia, and South Africa and the other Dominions will have just the same voice in these questions (Imperial and foreign relations) as those who live in the British Isles.<sup>1</sup>

Of course the people of the British Isles have not and never have had more than an indirect voice in Imperial and foreign relations. The people of Canada had just as much direct voice in the declaration of war on August 4, 1914, as had the people of the British Isles—that is to say, neither had any voice at all. It is not Parliament, but the King who negotiates treaties, enters into alliances, and makes war—the King of Canada, of Australia, and the other Dominions, as of the United Kingdom; and the inadequacy of the present arrangement arises from the fact that in these matters the

<sup>1</sup> *Canadian Gazette*, December 17, 1914.

King acts alone upon the advice of his Ministers in the United Kingdom. Unless we mean to uproot the British constitution—as we most assuredly do not—this inadequacy would not be remedied by the creation of a representative Imperial Parliament, for it is not the way of the British constitution to manage these things through the medium of a Parliament. The true line of advance is rather to be found in the development of the agencies which have already been evolved by the needs of our Imperial expansion.

The lettering upon our coinage is a constant reminder of the central fact of the British constitution: "Georgius V. Dei Gra : Britt : Omn : Rex." It is in the name of the King that all executive acts are done throughout the Empire; and the "King in Council" is the agency through which this sovereign power is exercised. In practice the "King-in-Council" means, however, not the whole Privy Council, but that Committee of the Privy Council chosen by the Prime Minister which we call the Cabinet.

"It is," said Palmerston, "in the Cabinet alone that questions of foreign policy are settled. We never consult Parliament till *after* they are settled."

The Cabinet is the supreme executive power in the British State, and the constitutional and effective way of bringing the Dominions into a share of control of Imperial and foreign affairs is to give their responsible statesmen a share in the counsels of the British Cabinet.

This momentous development the war has effected. It is the English way to announce momentous departures in a few colourless official words. In the official notices appearing in the English papers of July 15, 1915, we read :

“By the invitation of the Prime Minister, Sir Robert Borden, the Prime Minister of the Dominion of Canada, attended the meeting of the Cabinet.”

Just that and nothing more. The official recorder did not tell us whether the Canadian Prime Minister attended as a mere spectator or as a participator in the proceedings ; we were left in the dark as to the subjects under discussion, and as to whether his presence was due to the special Canadian interest of these subjects, or, indeed, what significance, if any, Mr. Asquith and his colleagues meant to attach to the incident. Sir Robert Borden himself, in a message to

the London Correspondent of a Canadian journal,<sup>1</sup> spoke of the event as "establishing a new precedent," adding that "the day for establishing precedents in such matters has assuredly come." Responsible English journals set themselves to define the character of the new precedent. One of the most representative declared that the presence of the Canadian Prime Minister at the Cabinet Council—

"revolutionised the theory and the practice of the system by which this country has been governed for more than a century and a half; ever since, in fact, Cabinet Government became a fixed institution, not to be changed in any essential particular from that time to this. It revolutionised not less completely the nature of the constitutional relationship between Great Britain and the Dominions. We may appear to exaggerate the significance of what was done. We can only say we are confident that no one present at that meeting of the Cabinet thinks so, and that the Prime Minister, in issuing his historic invitation to Sir Robert, was fully conscious that a train of consequences of immeasurable moment must

<sup>1</sup> *Montreal Star*, July 16, 1915.

naturally follow upon his action in the fulness of time. It is no more than a point of departure for the moment; but that is everything. Not once or twice, but many times in our history, events much more fortuitous and unconsidered than this have profoundly changed the course of development of the British State. In the person of Sir Robert Borden, the statesmen of the Empire have at length been called to our councils.”<sup>1</sup>

In that case Mr. Asquith has, by a stroke of the pen, greatly modified his decisive refusal at the Imperial Conference of 1911 to share with the Dominions any part of the responsibility of the British Government for the control and conduct of external affairs. The proposal before the Conference was Sir Joseph Ward’s scheme for an Imperial Council representative of the self-governing portions of the Empire and advisory to the Imperial Government on all questions affecting the interests of the Dominions overseas. The comment of Mr. Asquith, as Prime Minister of the United Kingdom, was most emphatic. He said :

“ For what does Sir Joseph Ward’s

<sup>1</sup> *Daily Telegraph*, London, July 16, 1915.

proposal come to? I might describe the effect of it, without going into details, in a couple of sentences. It would impair, if not altogether destroy, the *authority of the Government of the United Kingdom* in such grave matters as the conduct of foreign policy, the conclusion of treaties, the declaration and maintenance of peace, or the declaration of war and, indeed, all those relations with foreign Powers, necessarily of the most delicate character, which are now in the hands of the Imperial Government, subject to its responsibility to the Imperial Parliament. That authority *cannot be shared*, and the co-existence side by side with the Cabinet of the United Kingdom of this proposed body—it does not matter by what name you call it for the moment—clothed with the functions and the jurisdiction which Sir Joseph Ward proposed to invest it with, would, in our judgment, *be absolutely fatal to our present system of responsible government.*"

By inviting the Canadian Prime Minister to share in the deliberations of the British Cabinet Mr. Asquith abandoned the monopolistic claim he made on behalf of the British Cabinet. The phrase "Cabinet of

the United Kingdom" no longer fits the facts, and will become less and less applicable as the invitation given to Sir Robert Borden is extended to other Dominion Prime Ministers, as of course it must and will be.

It has often been declared to be the genius of the British race to proceed slowly and cautiously in all constitutional matters, and to depend for results upon experiment and experience rather than upon logic. Younger British communities overseas are perpetually "knocking at the door" because, in the phrase of Sir Robert Borden, none of them is any longer content to be "merely an adjunct even to the British Empire." But they show no desire to force the pace unduly ; they know we must creep before we walk. It is our way to make our methods fit the facts as they arise.

The British Cabinet has, of course, no formal place in the British Constitution. It is merely a committee of the Privy Council, and there have been Canadian members of the Privy Council of the United Kingdom from the days of Sir John Macdonald and Sir Charles Tupper. Indeed, the number of Privy Councillors from the Dominions overseas is now twenty-three. From as far back as 1887 responsible Ministers of the Empire

have met in a conference which began by calling itself "Colonial" and ended by becoming "Imperial"; and now a quadrennial meeting of this body is an established institution. The Committee of Imperial Defence was at first a purely British body; its Canadian membership was a sequel to the Boer War and the military co-operation then instituted between the United Kingdom and the Self-governing Dominions. We had fought together not because of any compulsion, but because it was the independent wish of each to do so, and we desired, by co-ordinating our military methods, to make more effective any voluntary military co-operation in the future.

A further development came in 1911, when secret sessions of the Committee of Imperial Defence passed in review the whole subject of Imperial defence and British foreign policy throughout the world. A new confidential relationship was then established between the King's Ministers here and overseas, and it has been given out that the British treaty of alliance with Japan which was renewed, with some modification, soon after these secret sessions of the Imperial Committee of Defence expressed in effect the concurrence of the responsible

## Ministers of all the British Self-governing States.

Thus far the association of the Ministers of the Dominions with those of the United Kingdom had been in a purely advisory capacity. But the Cabinet, unlike the Imperial Conference and the Imperial Committee of Defence, is far more than an advisory and consultative body. It is the supreme executive body of the Empire, and if the Prime Ministers of the Dominions are to take part in its proceedings, not as occasional visitors, but as by right and as regularly as their other engagements permit, then we are indeed at the beginning of a new epoch. It would be a serious effort to adapt our elastic Constitution to the entirely new conditions created by the advent of the Dominions to nationhood, and by their spontaneous and national share in the grievous burdens as well as the privileges of Empire sway.

That this is the intention we must assume from the statement of Government policy made in the British House of Commons on July 21, 1915, by the Under-Secretary for the Colonies, Mr. Steel-Maitland, when he said that the reason of Sir Robert Borden's presence at a meeting of the Cabinet "at

which no previous Colonial Prime Minister had ever been present" was "not an isolated incident, but only carries out the general trend of policy which is proceeding further in the same direction."

It remains for British Ministers to give fuller effect to these intentions. We must expect the presence of the Canadian Prime Minister at a meeting of the British Cabinet to be followed by the admission of other Dominion Premiers. The peoples overseas welcome the fact as a sign of the necessary widening of the horizon of British politicians, but, as Lord Milner has said with truth, nobody can suppose that the occasional presence of Dominion Premiers at the British Cabinet is really an adequate recognition of the importance of the Dominions in the Empire.<sup>1</sup> It is good as an omen, but "the real thing" has yet to come. Empire statesmen, and especially those of the Motherland, have yet to evolve a method by which the younger nations overseas, acting through their responsible Ministers in the capacity of King's advisers, will have a continuous and permanent share in the management of the external affairs of the Empire.

<sup>1</sup> United Empire Club, July 15, 1915.

All that we can say at present is that we are moving slowly but surely towards the solution of the central problem of Empire. Voluntary partnership in defence, as exemplified in the Boer War, was succeeded by a closer partnership in conference and defensive preparations as exemplified in the Imperial Conference and the Imperial Committee of Defence ; and the still voluntary and far more complete partnership in defence upon the battlefields of Europe and upon the high-seas has led up to the beginnings of a partnership in council and in final executive action. The way of final accomplishment is still hazy ; a Dominion Prime Minister cannot often be in London, and his responsibility to his own people may not easily fit into British Cabinet procedure. But it is a great gain that a new relationship of confidence should be established. The inner chamber of the Imperial executive has been thrown open to the responsible First Minister of one Dominion. Others will follow in his steps ; they are thus given the means of making the opinions of their Dominions felt in all that goes to form the “foreign policy” of the Empire. In Cabinet procedure it is not numbers that tell, but influence and representative

capacity ; and experience shows that the influence of one Dominion Minister who knows how to use his power will in practice far exceed anything that would come to him upon any reckoning of the relative population or wealth of his constituent unit.

## SECTION IV

### *TASKS OF THE FUTURE*

“It is for us to be here dedicated to the great task remaining before us—that from these honoured dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain, that this nation under God shall have a new birth of freedom.”  
. . .—ABRAHAM LINCOLN.



## CHAPTER IX

### NEXT STEPS IN PARTNERSHIP

“ Let us never for one moment forget that, of all the mighty events in our history, none are greater than those through which we are passing to-day. Is an Empire like ours worth living for ? Yes, and worth dying for, too. And it is something greater than it was a year ago. Indeed, it can never be quite the same again. The old order has in some measure passed away. Once for all it has been borne in upon the minds and souls of all of us that the great policies which touch and control the issues of peace and war concern more than the peoples of these islands.”—SIR ROBERT BORDEN, Canadian Prime Minister, at Folkestone, August 4, 1915.

“ Our strength lies in getting into the closest possible touch with one another.”—MR. FISHER, Prime Minister of the Commonwealth of Australia, January 2, 1915.

THE opening of the doors of the British Cabinet to the Prime Ministers of the Dominions marks the beginning of a new era of inter-Imperial relationship. It secures what Edmund Burke pleaded for in vain 130 years ago, “ an admission of the people of our Colonies into an interest in the Constitution.” Mr. Balfour said in 1911 <sup>1</sup> :

<sup>1</sup> *Times*, February 7, 1911.

"The British Empire has reached a point of development now at which this country [the United Kingdom] is simply *the first among equals* so far as the great self-governing parts of the kingdoms are concerned."

The seal of authority is now set upon this development, and the Dominions begin to emerge from the status of daughters to that of sister-nations in the Empire.

But the development is obviously incomplete. The British Cabinet is, so to speak, a Standing Committee of the British Houses of Parliament; and its authority rests upon its responsibility to the British Parliament and through that Parliament to the British people. Dominion Ministers may sit, as occasion demands, in the British Cabinet; but they cannot share the responsibility of British Ministers to the British Parliament and peoples; it is to the Parliaments and peoples of their own Dominions that Dominion Ministers are solely answerable. If we had an Imperial Parliament representative of the whole Empire, an Imperial Cabinet representative of the Ministries of the whole Empire would be its natural accompaniment; but no such development is within sight.

The illogical and obviously temporary character of the new relationship between the British Cabinet and Dominion Ministries need not, however, disconcert us. Has not the British Empire been authoritatively declared to be "in some respects a mere disorganisation" ?<sup>1</sup> The British Cabinet itself—supreme executive power though it is—has no place in the Constitution, and its new Imperial aspect, like all else that is vital in our national and Imperial life, will be shaped by experiment and growth.

Believing in the British Empire as one of the most potent instruments for diffusing the blessings of law and order, freedom and duty, service and mercy throughout the world—and, what is for us of great importance, *our particular brand* of instrument ;—realising also that no self-governing portion of the Empire conceives a nobler future and a greater destiny for itself outside rather than inside that Empire, we shall follow the traditional lines of British wisdom and get on with our work together knowing that the machinery of the State will be adapted to our new needs as they arise. Our prime concern, as practical people, must be, in Mr. Fisher's words, to get into the

<sup>1</sup> Sir Robert Borden, *Canadian Hansard*, 1910, p. 1747.

closest possible touch with one another in the day-to-day relationships of life. Only in this way will the self-governing peoples of the Empire come together as one Family, and only in this way will their political, commercial, and social organisations be shaped to the real and abiding unity which they all desire.

The negotiation of terms of peace at the end of the Great War will, we may assume, provide one of the first tests of the new unity of purpose between the States of the Empire. In 1911 the Committee of Imperial Defence established some sort of co-operation in the direction of foreign policy. Dominion statesmen were then taken for the first time into the confidence of British Ministers in matters of external relations, and became in a sense direct parties to the fateful treaty of alliance with Japan which was shortly afterwards renewed with modifications. In the terms of peace after the Great War, England and the Dominions will similarly speak to the world with one voice, and the participation of the British nations overseas may be expected to have a profound effect in shaping British policy. Rearrangements of territory affecting the Colonies have in the past been made between British and

foreign statesmen without prior consultation with Colonial statesmen. That day is past. It is impossible to contemplate a repetition of the snub which was given to Australia over the New Guinea question in 1884 in order to conciliate Germany ; nor can we imagine a Colonial Secretary of to-day justifying a neglect to consult the Australian and New Zealand Governments after the manner of the New Hebrides surrender of 1903. Concessions of vital interest to the Dominions can no longer be made behind their backs.

In saying this we are not unmindful of the utterances of some British writers and speakers who claim to represent a section of official and unofficial opinion. In their view the re-establishment of King Albert in Belgium and the restoration of Alsace-Lorraine to France should be the sign for the return to Germany of her conquered colonies.

“ If this country is then asked with reference to the German colonies what offering she is prepared to make on the altar of a real settlement, Sir Edward Grey will, we believe, reply that we went to war to restore liberties and not to impound them.”<sup>1</sup>

<sup>1</sup> *The Nation*, July 10, 1915.

But South African, not British, armies conquered German South-west Africa. It was by the express desire of British Ministers that the Government of South Africa set its own forces in motion and removed a dangerous German menace and foiled designs for the creation of a Greater German Africa south of the Equator at the expense of British territories. This being so, it is inconceivable that the safety and permanent welfare of British South Africa should not be the decisive factor in any readjustment after the war. "If South-west Africa does not belong to the Union in future, it is as clear as noonday that the time will come when the Union will belong to German South-west Africa."<sup>1</sup> Similarly, it may be taken for granted that the interests of New Zealand and Australia will be fully considered in joint Imperial consultation when the German occupation of any part of New Guinea, the Samoan Islands, and New Britain comes under review. Germany in her present mood has proved herself to be an impossible neighbour for any liberty-loving people.

As matters stand at present it would be

<sup>1</sup> General Smuts as reported in London papers of July 26, 1915.

entirely premature to attempt to forecast the kind of administration that may be found best suited to these redistributed German territories. Mr. Bonar Law, as Colonial Secretary, has expressed his belief that as a result of the war :

“ The time will come when the whole of the Self-governing Dominions, in proportion to their population and resources, will share with the Mother-country in the duty and honour of governing the British Empire.”<sup>1</sup>

Suggestions have been made in Australia that the Pacific possessions which Germany has forfeited should come under some sort of inter-Imperial management representative of the Government of the United Kingdom and of those of the Dominions which border on the Pacific. The joint possession of the State-owned Pacific cable may be found to pave the way to some such development.

Obviously also the future relations between India and the Dominions can hardly fail to be modified by the fact that their troops have fought side by side as equal comrades in the cause of freedom. In supreme moments of the war a Canadian

<sup>1</sup> At Folkestone, August 4, 1915.

soldier from British Columbia may have found that the comrade charging the enemy by his side was a tall Hindu who was forcibly kept on shipboard off Vancouver, being denied the right to land. Bishop Warne of Calcutta, an official of the American Methodist Episcopal Church, has been telling the Canadians<sup>1</sup> that the participation of Indian troops as comrades of British troops in the war has brought about a remarkable change of Indian sentiment towards the Dominions. The people of India, he declares, no longer regard themselves as a conquered race. "We are," they say, "part of the British Empire, and have been so regarded." This mutual appreciation gives us a means of settling the vexed problem of Indian migration to British Dominions. Racial prejudice is being softened, and a friendly arrangement may now be possible to prevent the flooding of Dominions with cheap labour without hurting the feelings of those who have proved their right to Empire citizenship.

As regards the armies of the Empire the war has more than justified the wisdom of the measures of co-ordination which succeeded the co-operation of Dominion and

<sup>1</sup> *Montreal Star*, June 21, 1915.

British forces in the South African War. On January 6, 1914, Sir Robert Borden wrote to Sir Joseph Pope, Canadian Under-Secretary of State for External Affairs, authorising him, in conjunction with the other Under-Secretaries and the naval and military authorities of Canada, to prepare a "War Book for Canada." The committee acted in co-operation with the experts of the British Government as to the line of action to be pursued in the event of a sudden outbreak of war. Speaking of the result of this action, the Canadian Prime Minister has said: "I cannot over-estimate the great advantage to the country which resulted from having these matters considered, determined, and arranged in advance in conjunction with the Imperial Government."

The experiences of the Great War will suggest a more effective scheme of military defence for the whole Empire. The very fact that the Empire is united by sea instead of by land will simplify the problem, because sea communication confers on the victorious war-power a strategic weapon of the highest value. The difficulties which the British peoples must solve are certainly not greater than those over which Germany triumphed. We speak of "the German

Army," but Bavaria, Saxony, and Würtemberg have armies of their own and War Ministers of their own; and even the Prussian system admits of some diversity to suit local conditions and susceptibilities. Without copying the methods of Prussian militarism, the "Five Nations" may, under their free institutions, attain even better results, for sea-power, with its element of strategic surprise, multiplies military power. The seeds of a closer co-operation in future years have already been sown. In the Imperial General Staff there reside great possibilities. There is no need for a rigid standardisation. Each Dominion must continue to be a law unto itself in military matters; but the more the Imperial General Staff becomes really Imperial and is linked with General Staffs in the Dominions, the more effective will be the co-operation of our armies in the field as a compact force reflecting the spirit of the race and losing nothing by reason of its wide distribution.

Any military system which is to develop in strength must be based on community of interest and diversity of method. The task of evolving such a system after the war has closed will call for wisdom, judgment, and caution. "Drill-sergeant" manners on the

part of the British War Office towards the Dominions would be as fatal as a spirit of *laissez faire*. The best results will be obtained by conference; there is no authority which can issue orders to a self-governing portion of the Empire. The new Imperial Army will be in the nature of a compromise between the methods of the Old World and the New, and thereby it should gain greatly in war efficiency.

The British Empire is distributed among all the Continents, but its naval defence must be made on the seas, which are "all one." The difference between military and naval conditions is fundamental and decisive. The distribution of the army of the British Empire will never change until the peace is broken, and then it may either be concentrated or divided between different theatres. The latter has been the experience of the Great War. The distribution of the naval forces of the British Empire must vary from year to year as the international situation changes. Success at sea depends on foresight and concentration. Foresight suggests how the ships should be distributed in times of peace so as to suit, not the conditions of to-day, but of to-morrow. The foundations of the victory

of the British Fleet on August 3, 1914, when it was mobilised and took up its war stations contiguous to the High Sea Fleet of Germany, were laid in 1904. In the latter year the spear-head of the British Navy was bared in the Mediterranean ; on August 3, 1914, it confronted Germany in the North Sea. There was an interval of ten years between the two periods of maximum strength in the Mediterranean and maximum strength in the North Sea ; and the interval was, as events have shown, all too short for all the consequential changes in naval administration, though one authority—the Board of Admiralty—exercised autocratic powers. In naval affairs victory depends more than ever on unity of control and training in peace and quick decisions before hostilities begin, otherwise the immense advantage of the initiative at sea is lost, probably never to be regained. The Grand Fleet, under Sir John Jellicoe, was mobilised and took up its task thirty hours before war was declared between England and Germany, and from August 3, 1914, it has defended from the North Sea every Imperial interest, great and small. It is conceivable that at some future date the British Empire will have to be defended,

if defended at all, from the Mediterranean, the Atlantic, or the Pacific. In twenty years the political conditions which will govern naval distribution may have undergone such a revolution as we cannot at present attempt to foresee.

For these reasons the sea defence of the Empire must be united as the seas are united, some central authority being responsible for the general command of the seas, leaving to each section of the Empire the provision of such purely local forces as its geographical and political circumstances may render desirable. Any other policy must spell defeat, as the incidents of the Great War illustrate. If in the critical days the main naval forces of the Empire had been distributed in accordance with the predilections of this Dominion and that, the concentrated instrument provided under the German Navy Acts would have gained the initiative, details of the British forces might have been overwhelmed before concentration could have been effected, and the result might have been that, at the very opening of the struggle, the too-far-flung life-line of the Empire would have been broken. In that event the war would have been over for us and for our Allies. These are considera-

tions which neither we in the United Kingdom nor our kinsmen in the Dominions dare ignore in shaping our naval policy in future. It must be such as will ensure the general command of the sea in the interests of the whole Empire, while encompassing such local command against raiding forces as the conditions in each Dominion may require.

In short, we can obtain the best naval and military machines to meet the needs of the Empire by proceeding on almost diametrically opposed principles. In reference to military defence, there must be not one army, but several armies raised and trained in each section of the Empire and linked together by the Imperial General Staff and its several branches in the Dominions, each army reflecting the aspirations and social conditions of each section of the Empire. In reference to naval defence, there must be not several navies, but one navy for securing on the very first threat of war those conditions at sea without which the Empire cannot exist and cannot use its armies. That basic naval principle—unity for concentration at the point of danger before danger actually exists—can, as has already been suggested, be carried out effectively

by the closest co-operation of the Dominions and the Mother - country, and a complete standardisation of the weapons of naval warfare and the methods of employing them. Fortunately, such a scheme will leave the Dominions full scope for the development of their local naval resources in sympathy with the Grand Fleet of the Empire.

Another immediate sequel to the war must be a joint consideration by Empire statesmen of the best means of strengthening and developing the heritage which the manhood of the Empire has spent itself to preserve. The old balance of food supply and demand was maintained with difficulty before the war ; it cannot in any circumstances be soon restored. These factors mark out two lines of action. One is, to increase production within the United Kingdom by every available means, and the second is to strengthen the Empire by increasing the productivity of lands overseas.

Included in the "farm areas" of British statistics are 3,750,000 acres of grass land so neglected as to be practically useless for the production of food. Apply to these lands the scientific methods which have been successfully applied to large areas of similar land in Northern Europe, and 3,750,000 more

acres will be yielding food for the community, with all the attendant benefits to farmers and labourers and the industries which benefit from their purchases. There are, besides, millions of British acres outside the farm statistics which are as capable under the treatment of modern science, of growing food crops as the heather and bracken which they now produce. Every one who wishes well to England and realises the national and Imperial strength that comes from a stable and prosperous yeomanry, will bid God-speed to this new movement for energising the poor lands of the Mother-country. All that they ask in the Dominions is that in England, as is the case in Canada, Australia, New Zealand, and South Africa, the principle should prevail that what strengthens one branch of the Empire family strengthens the whole. England will still need to make large purchases of foodstuffs abroad. Let her first thought be to buy from her own kith and kin in preference to the foreigner.

A London daily journal<sup>1</sup> thought it fitting recently to declare that any discussion of the sources of British imported food supplies was an “intolerable impertinence.” The

<sup>1</sup> *Daily News*, June 19, 1915.

United States, it argued, is England's chief source of supply for wheat, and Argentina for meat—they are foreign lands, but it would be “criminal” to attempt to lessen England's dependence upon them. It is a queer contention, and a most mischievous one. England and the Dominions are one as they never were before, and this oneness should be translated into every national effort and every act of statesmanship.

The Empire has its Dominions Royal Commission, upon which sit representatives of each self-governing State. It should now devote itself with redoubled energy to the task of making the peoples of the Empire conscious of the strength that may come to them from the co-operative development of their resources.

One of the most painful features of the war has been the discovery of how much Germany and Austria owe to our neglect. We have waved our flags and talked our post-prandial talk, while our British home-lands became derelict for want of a modicum of modern skill and scientific application, and the foreigner has reaped the chief advantage from the consequential inability of England to feed herself. Post-war disclosures in the Scottish courts have made

the public aware for the first time that it is from within the British Empire that Germany has drawn much of the raw materials needed to retain her bloody grip upon Belgium and Northern France, and kill and maim thousands of the very flower of British manhood. What is true of hematite ores from the mines of the Nova Scotia Steel and Iron Company at Wabana is true also of the essential nickel ores of Ontario and the equally essential spelter ores of Australian mines. While statesmen and business men have had their thoughts elsewhere, the natural products of the British Empire have been requisitioned by Krupps and other German armament makers, and when war came it was their arms and not ours which these resources supported. Many a Canadian soldier in Northern Europe and many an Australian in Gallipoli lost his life because of this cleverly-planned German manipulation and control of the resources of his own home land. Says a Canadian journal : "We send our soldiers to fight for the Empire, and we send our nickel to help the Germans make war upon us."<sup>1</sup>

Well may it be asked what our statesmen have done in past years to meet the peril of

<sup>1</sup> *Montreal Journal of Commerce*, November 1914.

leaving Empire resources to the Empire's arch-enemy. Mr. Hughes, the Attorney-General of Australia, has stated that "the agencies through which the metallic productions of Australia find their way to the British and other markets of the world are still dominated by German influence. . . . Names have been changed, but the German influence remains." How far is this true also of the metallic productions of other parts of the Empire? What is certain is that to materials from Canada, Australia, and other parts of the King's dominions the warships and guns and ammunition of the King's enemies have owed much of their murderous efficiency against the King's men. The irony is complete, and our Empire will deserve all that German malice has devised if we do not here and now begin to mend our ways and mind our heritage to better purpose.

Our handling of this question of the development of the resources of the British Empire for the benefit of its peoples illustrates our past neglect of the problems of inter-Imperial co-operation and will test the sincerity of our future purpose.

The Dominions Royal Commission was appointed in April 1912 to make known the

resources of the Dominions and inspire statesmen and business men to take the necessary measures to develop them for our mutual advantage. It has done useful work in gathering information, but the effect upon public opinion here or overseas has been small, and we know of no act of administration that can be traced to its activities. The truth is that no Government in the Empire has taken the Commission seriously. There was a suggestion of political motives about its very inception, and the main result of its endeavours would so far seem to have been to defer rather than stimulate co-operative action. Yet the practical work to be done is of the highest importance and the economic conditions which have been set up by the War and are certain to persist for many years give it a real urgency.

The policy of the Empire must take far more account of two basic facts. England as a creditor nation and the banking centre of the world must greatly reduce her dependence upon imports; at the same time if she is to maintain her position as the centre of a world-wide Empire the economic interdependence of the States of that Empire must be greatly increased. It is no longer a

case of rival political creeds and economic theories ; it is a case of the necessities of existence.

Such a table as the following carries its own moral :

BRITISH IMPORTS OF MATERIALS OF INDUSTRY, 1913  
(MILLION £)

	From Foreign Countries.	From British Possessions (including Egypt).	Total.
<b>RAW MATERIALS :</b>			
Cotton . . . . .	47	14	61
Wood and Timber . . . . .	28	5	33
Wool . . . . .	6½	16½	23
Oils . . . . .	15	2½	17½
Seeds . . . . .	6	9	15
Iron Ore . . . . .	7	very small	7
Rubber and Gutta Percha . . . . .	4	3	7
Jute . . . . .	—	6	6
Paper-making Materials . . . . .	5	½	5½
Flax . . . . .	4½	—	4½
Hides, Raw . . . . .	2½	1½	4
Skins and Furs, Undressed . . . . .	1	2	3
Hemp . . . . .	2½	½	3
Tin Ore . . . . .	2½	½	3
<b>OTHER MATERIALS :</b>			
Leather . . . . .	6½	2	8½
Copper, Unwrought . . . . .	5½	½	6
Lead, Pig and Sheet . . . . .	2½	1½	3½
Tin in Blocks, etc. . . . .	—	3	3
Zinc, Crude in Cakes (Spelter) . . . . .	3½	—	3½

What, it may be asked, have the Dominions Royal Commission and the statesmen of the Empire to say to the fact that, despite the unrivalled variety and extent of the natural resources of the King's dominions,

British industry in 1913 depended upon foreign countries for £170,000,000 worth of materials of industry while only £75,000,000 worth came from within the Empire?

If we and the Dominions have taken to heart one of the lessons of the war we shall by joint research and experiment and by co-operation also in administration and, as may be necessary, in fiscal measures turn much of this trade with foreign lands into Empire channels. The recent decisive action of the Australian Government in respect of spelter ores and of various Governments of Canada in respect of zinc, copper, and nickel indicate how willingly the Ministers of the Dominions will co-operate in measures to lessen a dependence upon foreign countries which is always a weakness and in times of stress may become a positive peril.

“The old order has passed away.” The statesmen and journalists of England and the Dominions are all agreed upon that. Nothing, they tell us, can ever be quite the same after the war. For many years England and the Dominions will have to bear a very heavy burden of war taxation, and that burden must greatly change every phase of the financial and economic life of every part of the Empire. We cannot yet

discern the character of these changes and of the new fiscal problems that will have to be faced, but it is already evident that in the future, far more than in the past, the States of the Empire must think and act together as one family. As has been well said :

“ The self-governing States of Canada, Australia, New Zealand, South Africa, and Newfoundland, various other parts of the Empire, and the Dependency of India have brought to the prosecution of the War every available resource of men, money, and material. They have thus proved a unity of interest with ourselves which raises the Empire problem on to an entirely new plane. No solution of the questions which face British statesmanship now while war continues, or afterwards, can possibly neglect this new guiding factor. Happily, it is a factor which greatly adds to the resources available for the immediate struggle, and also for the consolidation of our financial and economic position.”<sup>1</sup>

The German menace has been realised as a menace against the whole British Empire.

<sup>1</sup> Tariff Commission Report, *The War and British Economic Policy*, March 1915.

It is being permanently removed by the united efforts of all the peoples under the Crown, and the future must be safeguarded not only by defensive measures in common, but by measures to bring the economic resources of the whole Empire to their maximum of efficient development. A far closer and far more real co-operative relationship must be established between the States of the Empire, covering defence, commerce, tariffs, foreign policy, treaties, and all matters in which they have a mutual concern. A great charge is laid upon us, and, remembering our past, we dare not fail in it.

“Now God be thanked, Who has matched us with His hour,  
And caught our youth, and wakened us from sleeping.”

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